DOCKET

SUPREME COURT
OF THE UNITED STATES

No. 10-545
Title: Lawrence Golan, et al., Petitioners
v.
Eric H. Holder, Jr., Attorney General, et al.
Docketed: October 26, 2010
Linked with 10A202
Lower Ct: United States Court of Appeals for the Tenth Circuit
Case Nos.: (09-1234, 09-1261)
Decision Date: June 21, 2010
Questions Presented

~~Date~~~	~~~~~~~Proceedings and Orders~~~~~~~~~~~~~~~~~~~~~
Aug 19 2010	Application (10A202) to extend the time to file a petition for a writ of certiorari from September 19, 2010 to October 20, 2010, submitted to Justice Sotomayor.
Aug 24 2010	Application (10A202) granted by Justice Sotomayor extending the time to file until October 20, 2010.
Oct 20 2010	Petition for a writ of certiorari filed. (Response due November 26, 2010)
Nov 16 2010	Order extending time to file response to petition to and including December 27, 2010.
Nov 24 2010	Brief amicus curiae of Conductors Guild filed.
Nov 26 2010	Brief amicus curiae of Internet Archive filed.
Dec 14 2010	Order further extending time to file response to petition to and including January 18, 2011.
Jan 18 2011	Brief of respondents Eric H. Holder, Jr., Attorney General, et al in opposition filed.
Jan 27 2011	Reply of petitioners Lawrence Golan, et al. filed.
Feb 2 2011	DISTRIBUTED for Conference of February 18, 2011.
Feb 22 2011	DISTRIBUTED for Conference of February 25, 2011.
Feb 28 2011	DISTRIBUTED for Conference of March 4, 2011.
Mar 7 2011	Petition GRANTED. Justice Kagan took no part in the consideration or decision of this petition.
Mar 24 2011	The time to file the joint appendix and petitioners' brief on the merits is extended to and including June 13, 2011.
Mar 24 2011	The time to file respondents' brief on the merits is extended to and including August 3, 2011.
Apr 20 2011	Consent to the filing of amicus curiae briefs, in support of either party or of neither party, received from counsel for the respondents.
May 19 2011	Consent to the filing of amicus curiae briefs, in support of either party or of neither party, received from counsel for the petitioners.

Jun 13 2011	The time to file the joint appendix and petitioners' brief on the merits is further extended to and including June 14, 2011.
Jun 13 2011	Joint appendix filed. (Statement of costs filed)
Jun 14 2011	Brief of petitioners Lawrence Golan, et al. filed.
Jun 17 2011	Brief amici curiae of H. Tomas Gomez-Arostegui and Tyler T. Ochoa filed.
Jun 17 2011	Brief amicus curiae of Eagle Forum Education & Legal Defense Fund filed.
Jun 17 2011	Brief amicus curiae of Professor Daniel J. Gervais filed.
Jun 17 2011	Brief amicus curiae of Public Knowledge filed.
Jun 20 2011	Brief amicus curiae of The Cato Institute filed.
Jun 20 2011	Brief amicus curiae of Peter Decherney filed.
Jun 20 2011	Brief amicus curiae of Heartland Angels, Inc. filed.
Jun 20 2011	Brief amicus curiae of Creative Commons Corporation filed.
Jun 20 2011	Brief amici curiae of Public Domain Interests filed.
Jun 20 2011	Brief amicus curiae of Justice and Freedom Fund filed.
Jun 20 2011	Brief amici curiae of Information Society Project at Yale Law School Professors and Fellows filed.
Jun 20 2011	Brief amicus curiae of American Civil Liberties Union filed.
Jun 21 2011	Brief amici curiae of Conductors Guild and the Music Library Association filed.
Jun 21 2011	Brief amici curiae of American Library Association, et al. filed.
Jun 21 2011	Brief amicus curiae of Google, Inc. filed.
Jun 21 2011	Brief amicus curiae of Project Petrucci, LLC filed.
Jul 15 2011	CIRCULATED.
Jul 19 2011	SET FOR ARGUMENT ON Wednesday, October 5, 2011.
Aug 3 2011	Brief of respondent Eric H. Holder, Jr., Attorney General, et al filed. (Distributed)
Aug 4 2011	Brief amici curiae of International Publishers Association, et al. filed. (Distributed)
Aug 9 2011	Brief amicus curiae of International Coalition for Copyright Protection filed. (Distributed)
Aug 10 2011	Brief amici curiae of American Society of Composers, Authors, and Publishers, et al. filed. (Distributed)
Aug 10 2011	Brief amicus curiae of Intellectual Property Owners Association filed. (Distributed)
Aug 10 2011	Brief amicus curiae of Motion Picture Association of America filed. (Distributed)
Aug 10 2011	Brief amicus curiae of American Bar Association filed. (Distributed)
Aug 10 2011	Brief amicus curiae of Franklin Pierce Center for Intellectual Property filed. (Distributed)
Aug 10 2011	Brief amicus curiae of American Intellectual Property Law Association filed. (Distributed)
Aug 10 2011	Record received from U.S.C.A. for 10th Circuit. (1 box)
Aug 31 2011	Reply of petitioners Lawrence Golan, et al. filed. (Distributed)
Sep 14 2011	Record received from U.S.D.C. for the Distrit of Colorado. (2 boxes)
Oct 5 2011	Argued. For petitioners: Anthony T. Falzone, Stanford, Ca. For respondents: Donald B. Verrilli, Jr., Solicitor General, Department of Justice, Washington, D. C.

PETITION FOR WRIT OF CERTIORARI

Supreme Court, U.S.
FILED

No. 10-_____10-545

OCT 20 2010

OFFICE OF THE CLERK

In The
Supreme Court of the United States

LAWRENCE GOLAN, ESTATE OF RICHARD KAPP, S.A. PUBLISHING CO., INC. d/b/a ESS.A.Y. RECORDINGS, SYMPHONY OF THE CANYONS, RON HALL d/b/a FESTIVAL FILMS, and JOHN MCDONOUGH d/b/a TIMELESS VIDEO ALTERNATIVES INTERNATIONAL,

Petitioners,

v.

ERIC H. HOLDER, JR., in his Official Capacity as Attorney General of the United States, and MARYBETH PETERS, in her Official Capacity as Register of Copyrights, Copyright Office of the United States,

Respondents.

On Petition For A Writ Of Certiorari To The United States Court Of Appeals For The Tenth Circuit

PETITION FOR A WRIT OF CERTIORARI

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QUESTIONS PRESENTED

Section 514 of the Uruguay Round Agreements Act of 1994 (Section 514) did something unique in the history of American intellectual property law: It "restored" copyright protection in thousands of works that the Copyright Act had placed in the Public Domain, where they remained for years as the common property of all Americans. The Petitioners in this case are orchestra conductors, educators, performers, film archivists and motion picture distributors, who relied for years on the free availability of these works in the Public Domain, which they performed, adapted, restored and distributed without restriction. The enactment of Section 514 therefore had a dramatic effect on Petitioners' free speech and expression rights, as well as their economic interests. Section 514 eliminated Petitioners' right to perform, share and build upon works they had once been able to use freely.

The questions presented are:

1. Does the Progress Clause of the United States Constitution prohibit Congress from taking works out of the Public Domain?

2. Does Section 514 violate the First Amendment of the United States Constitution?

PARTIES TO THE PROCEEDINGS AND CORPORATE DISCLOSURE STATEMENT

Petitioners are Lawrence Golan, Estate of Richard Kapp, S.A. Publishing Co., Inc., d/b/a ESS.A.Y. Recordings, Symphony Of The Canyons, Ron Hall, d/b/a Festival Films, and John McDonough, d/b/a Timeless Video Alternatives International. Petitioners certify that they have no parent corporation, nor do any publicly held corporations own 10% or more of their stock. Respondents are Eric H. Holder, Jr., in his official capacity as Attorney General of the United States, and Marybeth Peters, in her official capacity as Register of Copyrights.

TABLE OF CONTENTS

	Page
QUESTIONS PRESENTED	i
PARTIES TO THE PROCEEDINGS AND CORPORATE DISCLOSURE STATEMENT	ii
TABLE OF AUTHORITIES	vi
PETITION FOR A WRIT OF CERTIORARI	1
OPINIONS BELOW	1
JURISDICTION	1
CONSTITUTIONAL AND STATUTORY PROVISIONS INVOLVED	2
STATEMENT OF THE CASE	3
REASONS FOR GRANTING THE WRIT	10
I. This Case Raises Issues Of Exceptional Public Importance, Which This Court Should Decide Now	10
A. Section 514 Departs From Two Centuries Of Tradition And Creates New Uncertainty Over The Boundaries Of Copyright Protection	11
B. This Court Should Not Wait To Answer The Questions This Case Presents Because The Tenth Circuit's Decision Threatens Core Speech Rights And Settled Business Expectations	14

TABLE OF CONTENTS – Continued

Page

II. The Tenth Circuit's Decision Conflicts With This Court's Prior Decisions, Which Demonstrate Congress Has No Power To Remove Material From The Public Domain To Create Private Economic Windfalls 19

A. Limited Times 20

B. Public Purpose 24

III. The Tenth Circuit's Decision Conflicts With This Court's Prior Decisions By Creating An Unprecedented Government Interest In Sacrificing Public Speech Rights To Create Private Economic Windfalls 28

A. The Government Has No Legitimate Interest In Taking Away Public Speech Rights Simply To Create Private Economic Benefits 29

B. The Tenth Circuit's Decision Ignores The Fact There Was No Evidence Of Any Real Harm To Cure, Or That Section 514 Would Advance The Interest The Court Identified 34

CONCLUSION 37

TABLE OF CONTENTS – Continued

Page

APPENDICES

Opinion of the U.S. Court of Appeals for the Tenth Circuit, June 21, 2010 (609 F.3d 1076) .....App. 1-42

Memorandum Opinion and Order of the U.S. District Court for the District of Colorado, April 3, 2009 (611 F. Supp. 2d 1165) .....App. 43-69

Opinion of the U.S. Court of Appeals for the Tenth Circuit, September 4, 2007 (501 F.3d 1179) .....App. 70-109

Order of the U.S. District Court for the District of Colorado, April 20, 2005 (2005 WL 914754) .....App. 110-152

Order of the U.S. District Court for the District of Colorado, March 15, 2004 (310 F. Supp. 2d 1215) .....App. 153-165

Order of the U.S. Court of Appeals for the Tenth Circuit, January 4, 2008 .....App. 166-167

Judgment of the U.S. District Court for the District of Colorado, August 17, 2010.....App. 168-170

Judgment of the U.S. District Court for the District of Colorado, May 12, 2005.....App. 171-172

17 U.S.C.A. § 104A, Copyright in restored works .....App. 173-185

17 U.S.C.A. § 109, Limitations on exclusive rights: Effect of transfer of particular copy or phonorecord.....App. 186-190

TABLE OF AUTHORITIES

Page

CASES

Bantam Books, Inc. v. Sullivan, 372 U.S. 58 (1963) 16

Bilski v. Kappos, 130 S.Ct. 3218 (2010) 20

Bonito Boats, Inc. v. Thunder Craft Boats, Inc., 489 U.S. 141 (1989) 12

Buckley v. Valeo, 424 U.S. 1 (1976) 33

Chase Securities Corp. v. Donaldson, 325 U.S. 304 (1945) 22

Citizens United v. FEC, 130 S.Ct. 876 (2010) 33

Dam Things from Denmark v. Russ Berrie & Co., Inc., 290 F.3d 548 (3d Cir. 2002) 14

Dastar Corp. v. Twentieth Century Fox Film Corp., 539 U.S. 23 (2003) 12, 17, 20

Eldred v. Ashcroft, 537 U.S. 186 (2003) ..... *passim*

Elrod v. Burns, 427 U.S. 347 (1976) 15

Festo Corp. v. Shoketsu Kinzoku Kogyo Kabushiki Co., 535 U.S. 722 (2002) 18

Fogerty v. Fantasy, Inc., 510 U.S. 517 (1994) 18

Fox Film Corp. v. Doyal, 286 U.S. 123 (1932) 25

Golan v. Gonzales, No. 01-B-1854, 2005 WL 914754 (D. Colo. April 20, 2005) ("*Golan I*") 1, 7

Golan v. Gonzales, 501 F.3d 1179 (10th Cir. 2007) ("*Golan II*") ..... *passim*

TABLE OF AUTHORITIES – Continued

Page

Golan v. Holder, 611 F. Supp. 2d 1165 (D. Colo. 2009) (*"Golan III"*) ..... *passim*

Golan v. Holder, 609 F.3d 1076 (10th Cir. 2010) (*"Golan IV"*) ..... *passim*

Graham v. John Deere Co., 383 U.S. 1 (1966) 19, 20, 24, 25, 28

Hurley v. Irish-Am. Gay, Lesbian & Bisexual Group of Boston, 515 U.S. 557 (1995) 16, 32

Kelo v. City of New London, 545 U.S. 469 (2005) 28

Lovell v. City of Griffin, 303 U.S. 444 (1938) 17

Luck's Music Library, Inc. v. Gonzales, 407 F.3d 1262 (D.C. Cir. 2005) 26

N.Y. Times Co. v. United States, 403 U.S. 713 (1971) 16, 32

Simon & Schuster, Inc. v. Members of N.Y. State Crime Victims Bd., 502 U.S. 105 (1991) 16, 32

Sony Corp. of Am. v. Universal City Studios, Inc., 464 U.S. 417 (1984) 12, 20, 25

Stogner v. California, 539 U.S. 607 (2003) 22

Turner Broad. Sys., Inc. v. FCC, 512 U.S. 622 (1994) (*"Turner I"*) 29, 34, 35, 36, 37

Turner Broad. Sys., Inc. v. FCC, 520 U.S. 180 (1997) 37

United States v. Lopez, 514 U.S. 549 (1995) 13

United States v. Morrison, 529 U.S. 598 (2000) 13

TABLE OF AUTHORITIES – Continued

Page

Vance v. Universal Amusement Co., 445 U.S. 308 (1980) 16

Ward v. Rock Against Racism, 491 U.S. 781 (1989) 16, 32

William Danzer & Co. v. Gulf & Ship Island R. Co., 268 U.S. 633 (1925) 22

STATUTES

17 U.S.C. § 102(b) 32

17 U.S.C. § 104(A) ..... *passim*

17 U.S.C. §§ 106(3)-(4) 15

17 U.S.C. § 109(a) 2

17 U.S.C. §§ 301-04 7

28 U.S.C. § 1254(1) 2

28 U.S.C. § 1331 6

Berne Convention for the Protection of Literary and Artistic Works (Paris Act, 1971) ..... *passim*

Uruguay Round Agreements Act, Section 514 .... *passim*

CONSTITUTIONAL PROVISIONS

U.S. CONST., amend. I ..... *passim*

U.S. CONST., amend. V 27

U.S. CONST., Article I, § 8, clause 8 ..... *passim*

TABLE OF AUTHORITIES – Continued

Page

OTHER AUTHORITIES

BOYLE, JAMES, THE PUBLIC DOMAIN: ENCLOSING THE COMMONS OF THE MIND (2008) 17, 23

LESSIG, LAWRENCE, FREE CULTURE: HOW BIG MEDIA USES TECHNOLOGY AND THE LAW TO LOCK DOWN CULTURE AND CONTROL CREATIVITY (2004) 18

Litman, Jessica, *The Public Domain*, 39 Emory L.J. 965 (1990) 17

Netanel, Neil W., *Locating Copyright Within The First Amendment Skein*, 54 Stan. L. Rev. 1 (2001) 33

Pollack, Malla, *What Is Congress Supposed to Promote? Defining "Progress" in Article I, Section 8, Clause 8 of the United States Constitution or Introducing the Progress Clause*, 80 Neb. L. Rev. 754 (2001) 24

Samuelson, Pamela, *Challenges in Mapping the Public Domain*, THE FUTURE OF THE PUBLIC DOMAIN: IDENTIFYING THE COMMONS IN INFORMATION LAW (P. Bernt Hugenholtz ed., 2006) 12, 23

Tushnet, Rebecca, *Copy This Essay: How Fair Use Doctrine Harms Free Speech and How Copying Serves It*, 114 Yale L.J. 535 (2004) 17, 32

PETITION FOR A WRIT OF CERTIORARI

Petitioners Lawrence Golan, Estate of Richard Kapp ("Kapp"), S.A. Publishing Co., Inc., Symphony Of The Canyons, Ron Hall, and John McDonough, respectfully petition for a writ of certiorari to review the judgment of the United States Court of Appeals for the Tenth Circuit in this case.

OPINIONS BELOW

The District Court's first decision dismissing all claims (App. 110-152) is unreported and available at 2005 WL 914754 (*Golan I*). The first panel decision of the Court of Appeals affirming in part and reversing in part (App. 70-109) is reported at 501 F.3d 1179 (*Golan II*). The District Court's decision on remand granting summary judgment to Petitioners and finding Section 514 violates their First Amendment rights (App. 43-69) is reported at 611 F. Supp. 2d 1165 (*Golan III*). The second panel decision of the Court of Appeals reversing the District Court's grant of summary judgment for Petitioners (App. 1-42) is reported at 609 F.3d 1076 (*Golan IV*).

JURISDICTION

The judgment of the United States Court of Appeals for the Tenth Circuit was issued on June 21, 2010. No petition for rehearing was filed following that decision. (The Government filed a petition for rehearing *en banc* following the Tenth Circuit's first

decision in 2007, which the Court denied.) The time within which to file a petition for writ of certiorari was extended by this Court to October 20, 2010. This Court has jurisdiction over this petition pursuant to 28 U.S.C. § 1254(1).

CONSTITUTIONAL AND STATUTORY PROVISIONS INVOLVED

The Progress Clause confers upon Congress the power to "promote the Progress of Science and useful Arts, by securing for limited Times to Authors and Inventors the exclusive Right to their respective Writings and Discoveries." U.S. CONST., art. I, § 8, cl. 8.[1]

The First Amendment provides, in pertinent part, that "Congress shall make no law . . . abridging the freedom of speech, or of the press. . . ." U.S. CONST., amend I.

The pertinent provisions of the Copyright Act, 17 U.S.C. §§ 104A, 109(a) (1994) (Sec. 514 of Uruguay Round Agreements Act (URAA)), are reprinted in the appendix. *See* App. 173-190.

[1] Article I, § 8, cl. 8 is often referred to as the "Copyright Clause," "Patent Clause" or "Intellectual Property Clause." None of these names is especially apt, since the Clause does not contain the words "copyright," "patent" or "intellectual property." Petitioners therefore refer to this Clause as the "Progress Clause" as the Tenth Circuit did in its first panel decision. *See Golan II*, 501 F.3d at 1186.

STATEMENT OF THE CASE

1. Petitioners are orchestra conductors, educators, performers, film archivists and motion picture distributors who depend upon the Public Domain for their work.

2. Section 514 amended the Copyright Act to "restore" protection in certain foreign works, and limit the sale of existing copies of those works. *See, e.g.*, 17 U.S.C. §§ 104A(a)(1)(A), 109(a). It thus removed from the Public Domain a vast number of important works by foreign authors and put them under copyright protection. These included symphonies by Prokofiev, Stravinsky and Shostakovich; books by C.S. Lewis, Virginia Woolf and H.G. Wells; films by Federico Fellini, Alfred Hitchcock and Jean Renoir; and artwork by M.C. Escher and Picasso, including Picasso's masterpiece "Guernica."

3. Petitioners relied for years on the free availability of works in the Public Domain, which they performed, adapted and distributed. Petitioners Golan, Symphony of the Canyons, and Kapp's orchestra once performed Prokofiev's *Classical Symphony* and *Peter and the Wolf*, Shostakovich's *Symphony 14*, *Cello Concerto* (Op. 107) and *Piano Concerto* (Op. 35), and Stravinsky's *Petroushka*; the restoration of copyrights in these works now prevents them from doing so, even as to works for which they own copies of the sheet music. Petitioner S.A. Publishing Co., Inc. invested a great deal of work and money to record, manufacture and distribute a six compact disc

set of Shostakovich's *String Quartets* that was recognized in 1991 by Time Magazine as one of the best recordings in classical music; the restoration of copyrights in these works prevents S.A. Publishing from distributing this recording anymore. Petitioners Hall and McDonough spent time and money identifying and restoring Public Domain films like the 1962 French film, *La Jetée*, a 1940 British film, *Night Train to Munich*, and Hitchcock's 1932 film, *Number Seventeen*, for distribution; copyright restoration prevents them from distributing the films they restored. These are but a few examples of the ways in which Section 514 has affected Petitioners, and many others like them.

4. The enactment of Section 514 had a dramatic effect on Petitioners' free speech and expression rights, and those of the public. It eliminated Petitioners' right to perform, share and build upon works they had once used freely and would continue to use in the future but for Section 514. It had a similarly dramatic effect on their economic interests. In many instances, Petitioners invested time and money in locating these works, and restoring or preparing them for distribution, all on the expectation these works would remain in the Public Domain. Section 514 now prevents Petitioners from enjoying the expected benefits of these investments.

5. The total number of works removed from the Public Domain pursuant to Section 514 is difficult to estimate because restoration is automatic. *See* 17 U.S.C. § 104A(a)(1)(A). Section 514 permits (but does

not require) owners of restored copyrights to submit a Notice of Intent to Enforce restored copyrights. *See* 17 U.S.C. § 104A(c). Nearly 50,000 such notices have been submitted to the Copyright Office. *See* www.copyright.gov/gatt.html.

6. Section 514 does not apply to works by U.S. authors. This is because the ostensible purpose of Section 514 was to help the U.S. comply with the Berne Convention for the Protection of Literary and Artistic Works ("Berne Convention"). The Berne Convention was originally signed in 1886. The U.S. chose not to participate in the Berne Convention for more than 100 years. For nearly all of that time, the Copyright Act required authors to comply with statutory formalities (such as registration and renewal) in order to obtain and maintain copyright protection. Failure to comply with these statutory formalities rendered a work ineligible for copyright protection, in which case the work became part of the Public Domain. The Copyright Act also excluded from protection works first published in foreign countries that were not parties to a treaty providing copyright protection for U.S. works, and for a long time provided no protection for sound recordings.

7. Article 18 of the Berne Convention provides that countries joining Berne shall provide copyright protection for works that were unprotected in the joining nation for any reason other than the expiration of their copyright terms. Article 18(3) also provides broad latitude to create exceptions to the "restoration" requirement by agreement, or in the

unilateral discretion of the joining nation. First, Article 18(3) permits each Berne member to negotiate "special conventions" – exceptions to restoration. Thus, Article 18(3) provides the potential for the U.S. to accommodate its unique constitutional restrictions by negotiating exceptions to Berne's restoration requirements. Second, Article 18(3) provides that "the respective countries shall determine, each in so far as it is concerned, the conditions of application of" copyright restoration. So even in the absence of any "special convention" each Berne signatory has wide discretion in deciding *how* to implement restoration and the extent to which it will protect vested speech and expression interests. *Golan v. Holder*, 611 F. Supp. 2d 1165, 1174 (D. Colo. 2009) (*"Golan III"*). Pursuant to this discretion, the U.S. provided limited protection to reliance parties. *See* 17 U.S.C. § 104(A)(d)(2). This protection is mostly limited to twelve months. *See id.* In the case of derivative works created prior to restoration, the reliance party may continue to exploit the derivative work for longer periods so long as the reliance party pays "reasonable compensation" to the owner of the restored work. *See* 17 U.S.C. § 104(A)(d)(3).

8. Petitioners filed this lawsuit to challenge the constitutionality of Section 514, alleging it exceeded the scope of Congressional power under the Progress Clause, and also violated the First Amendment. Subject matter jurisdiction was based on 28 U.S.C. § 1331. The Government moved for summary judgment and the District Court dismissed all of Petitioners'

claims. *Golan v. Gonzales*, No. 01-B-1854, 2005 WL 914754 (D. Colo. April 20, 2005) ("*Golan I*").[2]

9. On appeal, a panel of the United States Court of Appeals for the Tenth Circuit affirmed the dismissal of Petitioners' Progress Clause challenge, but reversed the District Court's dismissal of Petitioners' First Amendment claim. Applying this Court's decision in *Eldred v. Ashcroft*, 537 U.S. 186 (2003), the Tenth Circuit held that Section 514 represents a substantial departure from the traditional contours of copyright law and regulates speech that is "near the core of the First Amendment." *Golan v. Gonzales*, 501 F.3d 1179, 1193 (10th Cir. 2007) ("*Golan II*"). The Court observed Section 514 departs from "the bedrock principle of copyright law that works in the Public Domain remain there." *Id.* at 1187. The Court went on to note that the progression of works from creation, through a period of limited protection, and then into the Public Domain where they can become the building blocks of still other creativity is the "cycle" that "makes copyright 'the engine of free expression.'" *Id.* at 1183 (quoting *Harper & Row Publishers, Inc. v. Nation Enter.*, 471 U.S. 539, 558 (1985)). The Court held that by breaking this cycle, Section 514 departs from the traditional contours of copyright and that

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[2] Petitioners also challenged the constitutionality of the Sonny Bono Copyright Term Extension Act (CTEA), Pub. L. No. 105-298, 112 Stat. 2827 (codified as amended at 17 U.S.C. §§ 301-04 (1998)). Petitioners do not seek review of that question.

the traditional First Amendment safeguards contained in the Copyright Act are not adequate to protect First Amendment interests. *Golan II*, 501 F.3d at 1192, 1195.

10. On this basis, the Tenth Circuit found that Section 514 interferes with Petitioners' "vested First Amendment interests" in the unrestrained use of Public Domain materials, and remanded the case for First Amendment analysis under strict or intermediate scrutiny. *See Golan II*, 501 F.3d at 1194.

11. On remand, the parties agreed, and the District Court determined, that Section 514 is a content-neutral regulation of speech subject to intermediate First Amendment scrutiny. The Government contended Section 514 passes intermediate scrutiny because the Government has an important interest in complying with the Berne Convention, which requires the restoration of certain copyrights, and Section 514 is narrowly tailored to that interest. The District Court rejected that contention and held that while the Government does have a "legitimate interest in complying" with the Berne Convention, the exceptions in Article 18(3) demonstrate that "Congress could have complied with the Convention without interfering with Plaintiffs' protected speech." *Golan III*, 611 F. Supp. 2d at 1177. The District Court also held the Government had presented no evidence sufficient to show that providing protection for foreign works beyond that required by the Berne Convention would generate any additional benefits to U.S. authors, and the Government demonstrated no

important interest in correcting supposed inequitable treatment of foreign authors. *See id.* at 1175-77. On that basis, the District Court concluded that Section 514 violates Petitioners' First Amendment rights, and granted summary judgment in favor of Petitioners. *Id.*

12. On appeal following the remand, a different panel of the Tenth Circuit reversed the judgment of the District Court and held that Section 514 does not violate the First Amendment. *See Golan v. Holder*, 609 F.3d 1076 (10th Cir. 2010) ("*Golan IV*").

13. Applying intermediate scrutiny, the court held the Government has an important interest in securing foreign copyright protection for U.S. authors independent of any interest in complying with Berne. *See id.* at 1084. It concluded that Congress had substantial evidence to conclude that providing enhanced protection for foreign authors in the U.S. ***might*** induce foreign nations to reciprocate by providing enhanced protection for U.S. authors abroad, whether or not that enhanced protection was required by Berne. *See id.* at 1086-88. The Tenth Circuit acknowledged that Congress might have been able to comply with the Berne Convention while still providing full protection to Petitioners' speech interests. Yet it concluded the actual requirements of the Berne Convention were "beside the point" because Section 514 was narrowly tailored to the broader interest of creating enhanced protection for U.S. authors. *See id.* at 1090-91.

14. The Tenth Circuit therefore upheld the constitutionality of Section 514 based not on the need to comply with the Berne Convention, or any comparable public purpose. Rather, it upheld Section 514 on the premise that the Government has an important interest in giving away vested public speech rights in the hope that might create private economic benefits for U.S. authors on works created long ago.

REASONS FOR GRANTING THE WRIT

The Court should grant certiorari because the Tenth Circuit's decision threatens important public speech rights, creates uncertainty over what used to be settled boundaries of copyright protection, and is inconsistent with this Court's prior decisions interpreting the Progress Clause and the First Amendment.

I. This Case Raises Issues Of Exceptional Public Importance, Which This Court Should Decide Now

This case raises important questions this Court has never decided. Never before has Congress taken a broad swath of works that were long part of the Public Domain and placed them under copyright protection. As a result, this Court has never had occasion to decide whether Congress has the power to remove works from the Public Domain in this fashion, or what interest would justify doing so.

In *Eldred*, this Court recognized the long-standing historical practice of extending existing copyright terms, but it presumed, as the Government assured, that once a term expired, the Constitution's limits would be respected. In fact, the Government acknowledged that removing works from the Public Domain was a different story altogether; it suggested that doing so crossed a "bright line" that Congress must respect. The Tenth Circuit's decision upsets that balance by inviting Congress to restore copyright in Public Domain works any time there is an important Government interest in doing so. Yet reducing the federal deficit, demonstrating good will to a foreign nation, or helping an aging museum cover operation costs would all appear to be sufficient reasons, on the Government's account, for Congress to give away pieces of the Public Domain. In upholding Section 514, the Tenth Circuit endorsed a dangerous departure from 200 years of tradition, which eliminates important public speech rights, and threatens the integrity of the Public Domain – the common property of all Americans.

A. Section 514 Departs From Two Centuries Of Tradition And Creates New Uncertainty Over The Boundaries Of Copyright Protection

For more than 200 years, the Progress Clause, and the intellectual property statutes enacted pursuant to it, have created important public benefits. By providing for a limited term of protection, the

Copyright Act creates private economic benefits to authors that are designed to serve a distinctly public purpose by encouraging the creation of new works of creativity and expression. *See, e.g.*, *Sony Corp. of Am. v. Universal City Studios, Inc.*, 464 U.S. 417, 429 (1984).

While the scope and duration of protection has changed over time, one aspect of this system has remained consistent: Once the term of protection ended, or copyright protection in a work was lost for any other reason, it could not be restored and the work became part of the Public Domain. *See Golan II*, 501 F.3d at 1189-92; *see also Dastar Corp. v. Twentieth Century Fox Film Corp.*, 539 U.S. 23, 34 (2003) (recognizing the "public's federal right to copy and to use expired copyrights") (internal quotations omitted); *Bonito Boats, Inc. v. Thunder Craft Boats, Inc.*, 489 U.S. 141, 153 (1989) (recognizing the constitutional and statutory policy "of allowing free access to copy whatever the federal patent and copyright laws leave in the public domain").

In this respect, the Public Domain marked a clear boundary. Works in the Public Domain are the property of everyone. They are free to all for any purpose. Anyone is free to perform, adapt, share or distribute these works. These freedoms create still further public benefits with important First Amendment consequences; they not only enhance access to these works, but pave the way for still further creativity by letting new authors build on familiar and unfamiliar works alike. *See* Pamela Samuelson,

Challenges in Mapping the Public Domain, *in* THE FUTURE OF THE PUBLIC DOMAIN: IDENTIFYING THE COMMONS IN INFORMATION LAW 7, 22 (P. Bernt Hugenholtz ed., 2006).

This is the "bedrock principle" of copyright law the Tenth Circuit recognized in this case. Works in the Public Domain remain in the Public Domain and belong to the public. *Golan II*, 501 F.3d at 1189.

Section 514 upends this bedrock principle. It has taken many thousands of works out of the Public Domain and placed them under copyright protection, often for decades into the future. It thus "deviates from the time-honored tradition of allowing works in the public domain to stay there." *See Golan II*, 501 F.3d at 1192.

The tradition of leaving Public Domain works in the Public Domain did not develop by accident. It is derived from the express textual limitations of the Progress Clause. If Congress can now evade the requirement that copyright terms be for "limited times" by repeatedly extending existing terms, and now by "restoring" copyrights in Public Domain works, then the Framers' careful balance between the power to grant a monopoly right and the limits imposed upon that power has been destroyed. As this Court recognized in *United States v. Lopez*, 514 U.S. 549 (1995), and *United States v. Morrison*, 529 U.S. 598 (2000), the Court must interpret enumerated powers to give the express and implied limits on those powers meaning. The decision below renders

the limits in the Progress Clause all but meaningless. It also creates uncertainty about public speech rights: If Congress is free to remove material from the Public Domain at will, then the "public's federal right to copy and to use" Public Domain material this Court has recognized may evaporate at any time.[3]

B. This Court Should Not Wait To Answer The Questions This Case Presents Because The Tenth Circuit's Decision Threatens Core Speech Rights And Settled Business Expectations

The Tenth Circuit recognized the speech rights the Petitioners assert here are "near the core" of the First Amendment. *See Golan II*, 501 F.3d at 1193. Yet this case was pending for eight years before the

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[3] The terms of Section 514 itself create an array of murky questions for those who relied on the Public Domain status of restored works. Determining whether a work is eligible for restoration in the first place is not necessarily straightforward. *See Dam Things from Denmark v. Russ Berrie & Co., Inc.*, 290 F.3d 548, 556-60 (3d Cir. 2002) (vacating preliminary injunction, explaining criteria for restoration and analyzing whether copyright in "Danish Good Luck Troll" was eligible for restoration). Even the so-called protections Section 514 provides for reliance parties sow confusion. While they provide limited protection for those who created "derivative works" while a restored work was in the Public Domain, the extent to which a particular creation qualifies for this protection may remain murky. *See id.* at 563-66 (remanding for further analysis to determine which trolls are derivative works and which are not based on more detailed comparison of their features).

District Court vindicated those rights. No other Court of Appeals has addressed the First Amendment claim Petitioners make here. While there is plainly no circuit split on Petitioners' claims, this Court should nonetheless grant certiorari because important public speech rights are at stake. *See Elrod v. Burns*, 427 U.S. 347, 373 (1976) ("The loss of First Amendment freedoms, for even minimal periods of time, unquestionably constitutes irreparable injury.").

The burden on Petitioners' speech rights is obvious and substantial. Lawrence Golan and his orchestra were once free to perform a wide array of symphonic works. S.A. Publishing and Ron Hall were once free to publish and distribute an extensive array of orchestral compositions and feature films. Now that Section 514 has placed these works under copyright protection, Petitioners are no longer free to do these things, and the Copyright Act prohibits these activities expressly. *See* 17 U.S.C. §§ 106(3)-(4) (restricting the right to distribute and perform copyrighted works). In this respect, it acts as an explicit restraint on Petitioners' expressive activities.

The fact that Petitioners are not the original authors of these works does not diminish the strength of Petitioners' First Amendment interests. Petitioners, like all of us, were the owners of the common property that Section 514 removed from the Public Domain. This case does not challenge the extension of a copyright, where this Court has said the First Amendment "bears less heavily when speakers assert the right to make other people's speeches." *Eldred*, 537

U.S. at 221. The "speeches" Petitioners were making here belonged to them. *See Golan II*, 501 F.3d at 1193 ("[T]he speech at issue here belonged to plaintiffs when it entered the public domain."). Just as the Walt Disney Company's rights to enforce the copyright to the work of A. A. Milne is not diminished by the fact that *Winnie the Pooh* is not original to Disney, Petitioners' rights to work in the Public Domain is not diminished by the fact that it is not original to them. It is the public's right to make "our speeches" that has been eliminated by this statute.

The speech rights that have been eliminated here could hardly be more important. The rights to perform music, distribute a film, or publish a book are critical First Amendment freedoms. *See Ward v. Rock Against Racism*, 491 U.S. 781, 790 (1989); *Vance v. Universal Amusement Co.*, 445 U.S. 308, 315-16 (1980); *Bantam Books, Inc. v. Sullivan*, 372 U.S. 58 (1963). They do not become less important just because they involve the expression of another author. *See, e.g.*, *Hurley v. Irish-Am. Gay, Lesbian & Bisexual Group of Boston*, 515 U.S. 557, 570 (1995) (presentation of speech "generated by other persons . . . fall[s] squarely within the core of First Amendment security"); *Simon & Schuster, Inc. v. Members of N.Y. State Crime Victims Bd.*, 502 U.S. 105, 116 (1991) (publishing house that selects authors for publication are "speakers" for First Amendment purposes); *Ward*, 491 U.S. at 790 (recognizing unincorporated association's First Amendment right to sponsor musical performances by others); *N.Y. Times Co. v. United States*,

403 U.S. 713 (1971) (recognizing newspaper's First Amendment interest in publishing work authored by Government employees); *see generally* Rebecca Tushnet, *Copy This Essay: How Fair Use Doctrine Harms Free Speech and How Copying Serves It*, 114 Yale L.J. 535 (2004).

The First Amendment right to perform or publish the works of Shakespeare or Mozart is no less weighty because these works contain the words or expression of another. The right to perform, copy and disseminate these works widely, cheaply and efficiently is an important First Amendment interest in and of itself. *See Dastar*, 539 U.S. at 34; *Lovell v. City of Griffin*, 303 U.S. 444, 452 (1938) (the "[l]iberty of circulating is as essential . . . as liberty of publishing; indeed, without the circulation, the publication would be of little value").

But the public speech rights at stake here do not end with the right to perform, copy and disseminate. Public Domain works have long been the building blocks of future creativity in music, art, entertainment and literature. The Public Domain is "the basis for our art, our science, and our self-understanding. It is the raw material from which we make new inventions and create new cultural works." JAMES BOYLE, THE PUBLIC DOMAIN: ENCLOSING THE COMMONS OF THE MIND 39 (2008). By removing thousands of works from the Public Domain, Congress prevents the public from using these works as the ingredients for still further creativity. *See* Jessica Litman, *The Public Domain*, 39 Emory L.J. 965, 968 (1990) ("The public

domain should be understood not as the realm of material that is undeserving of protection, but as a device that permits the rest of the system to work by leaving the raw material of authorship available for authors to use."); LAWRENCE LESSIG, FREE CULTURE: HOW BIG MEDIA USES TECHNOLOGY AND THE LAW TO LOCK DOWN CULTURE AND CONTROL CREATIVITY 22-25 (2004) (noting the array of important cultural works created by Disney that were based principally on material in the Public Domain).

In addition to interfering with important speech rights, Section 514 upsets settled business expectations. Several Petitioners and others like them have invested money and built businesses around locating, preserving and distributing Public Domain works. In doing so, they rely upon the expectation this investment will not be expropriated arbitrarily. A rule that permits Congress to remove works from the Public Domain will destroy the incentive to make these investments, and the incentive to preserve, spread and build upon the content of the Public Domain. In order to preserve these incentives, the boundaries of the Public Domain must be defined clearly and protected from erosion. *See Fogerty v. Fantasy, Inc.*, 510 U.S. 517, 527 (1994) ("Because copyright law ultimately serves the purpose of enriching the general public through access to creative works, it is peculiarly important that the boundaries of copyright law be demarcated as clearly as possible."); *cf. Festo Corp. v. Shoketsu Kinzoku Kogyo Kabushiki Co.*, 535 U.S. 722, 731 (2002) (boundaries of intellectual property

monopoly must be clear: "[a] patent holder should know what he owns, and the public should know what he does not").

Although Section 514 affects important public rights, few members of the public are in a position to fight the long fight Petitioners have fought in this case. The economy of the Public Domain is fragile; the economic reward for exercising the expressive rights at stake here is often slight, precisely because these rights are available equally to all. Those whose rights have been most affected are therefore unlikely to have the resources to litigate these questions, much less for nine years.

If the Court does not take the opportunity to review the important questions presented by this case, they may escape review altogether.

II. The Tenth Circuit's Decision Conflicts With This Court's Prior Decisions, Which Demonstrate Congress Has No Power To Remove Material From The Public Domain To Create Private Economic Windfalls

While this Court has never addressed the precise question of whether the Progress Clause permits Congress to remove works from the Public Domain and place them under copyright protection, its previous decisions demonstrate Congress has no such power. This Court has consistently recognized the Progress Clause is "both a grant of power and a limitation." *Graham v. John Deere Co.*, 383 U.S. 1, 5

(1966); *see also Bilski v. Kappos*, 130 S.Ct. 3218, 3252 (2010); (quoting *Graham*, 383 U.S. at 5); *Eldred*, 537 U.S. at 212 (same). At least two limitations are important here. The Tenth Circuit decision largely ignores them, and Section 514 violates them.

A. Limited Times

First, Congress may only grant copyright protection for "limited times." U.S. CONST., art. I, § 8, cl. 8; *see Eldred*, 537 U.S. at 199; *Dastar*, 539 U.S. at 37. That is because the ultimate aim of the Progress Clause and the Copyright Act is to "induce release to the public of the products of [an author's] creative genius." *Sony*, 464 U.S. at 429. The Progress Clause therefore requires Congress to "allow the public access to the products of [an author's] genius after the limited period of exclusive control has expired." *Id.*; *see Graham*, 383 U.S. at 5-6 ("Congress may not authorize the issuance of patents whose effects are to remove existent knowledge from the Public Domain, or to restrict free access to materials already available").

In *Eldred*, this Court held the Progress Clause empowers Congress to ***extend*** the term of ***existing*** copyrights. *See Eldred*, 537 U.S. at 200-04. That holding was based largely on tradition – the "unbroken congressional practice of granting to authors of works with existing copyrights the benefit of term extensions so that all [works] under copyright protection will be governed evenhandedly under the same regime." *Id.* at 200. On this basis, the Court concluded

that term extension for existing copyrights did not violate the "limited times" prescription in the Progress Clause. *See id.* at 200-04.

But even the Government recognized that removing material from the Public Domain would be a different story. At the oral argument in *Eldred*,

> Justice Souter asked then-Solicitor General Olsen [sic] whether the Copyright Clause combined with the Necessary and Proper Clause could justify the extension of monopoly privileges to a "copyright that expired yesterday." [citations omitted] The Solicitor General replied that although such an act was not inconceivable, the public domain likely presented a "bright line" because once "[s]omething . . . has already gone into the public domain [ ] other individuals or companies or entities may then have acquired an interest in, or rights to be involved in disseminating [the work.]

Golan II, 501 F.3d at 1193 n.4.

The Tenth Circuit's decision in this case permits Congress to cross the "bright line" the Government itself urged.

Section 514 removes a vast body of foreign works from the Public Domain and puts them back under copyright protection, and it specifically includes works that were under copyright, but whose copyright has expired due to lack of renewal. *See* 17 U.S.C. § 104A(h)(6). In doing so, it benefits foreign

authors (and their heirs) at the expense of the vested speech rights of the American public. It limits, for example, the right to show, perform or distribute important works, including symphonies by Prokofiev, Shostakovich and Stravinsky among others, films by Alfred Hitchcock and Fritz Lang, and books by authors such as Virginia Woolf and C.S. Lewis. It also interferes with the specific reliance interests Solicitor General Olson referred to in *Eldred*, because each Petitioner here relied on the Public Domain status of the works they performed, adapted or distributed. *See Golan II*, 501 F.3d at 1193.[4]

The "bright line" Section 514 crosses is particularly important. It protects the integrity of the Public

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[4] The difference between *extending* the term of *existing* copyrights and resurrecting copyrights in works that were already part of the Public Domain parallels the distinction this Court has drawn in other contexts. This Court has, for instance, recognized the legislature may *extend* the statute of limitations for criminal offenses without violating the Ex Post Facto Clause of the Constitution, but cannot *revive* time-barred prosecutions once the statute of limitations has run. *See Stogner v. California*, 539 U.S. 607, 617-18 (2003). One of the bases for this distinction is the reliance interest that vests upon the expiration of the limitations period. *See id.* at 631-32. This Court has recognized a similar distinction in regard to the expiration of civil limitations periods. *See id.* at 632 (citing *Chase Securities Corp. v. Donaldson*, 325 U.S. 304, 312, n.8 (1945); *William Danzer & Co. v. Gulf & Ship Island R. Co.*, 268 U.S. 633, 637 (1925)). If there is an important reliance interest in avoiding prosecution for criminal acts (*Stogner*) or civil liability for the illegal sale of securities (*Chase Securities*), the public's reliance interest in maintaining the right to lawful expression should be greater still.

Domain – the common property of all Americans. Free and unfettered access to the Public Domain serves the most basic goals of copyright and the First Amendment. The purpose of creating a Public Domain is to lift restrictions on access and dissemination, and to unleash further creativity by permitting everyone to use material in the Public Domain as building blocks for new works of expression. *See* BOYLE, *supra*, at 41 ("The public domain is the place we quarry the building blocks of our culture. It is, in fact, the *majority* of our culture.") Protecting the integrity of the Public Domain therefore protects important speech and expression rights, and paves the way for the new creativity that is the ultimate aim of both the Copyright Act and the Progress Clause. *See id.*; Samuelson, *supra*, at 22.

Here, unlike *Eldred*, history and tradition provide no justification for crossing this "bright line." There is no "unbroken congressional practice" of removing material from the Public Domain. *See Eldred*, 537 U.S. at 200-04. On the contrary, the Tenth Circuit held that ***"[the] history of American copyright law reveals no tradition of copyrighting works in the public domain"*** and Section 514 "deviates from the time-honored tradition of allowing works in the public domain to stay there." *Golan II*, 501 F.3d at 1190, 1192 (emphasis added).

If Congress can both extend the terms of existing copyright at will and take material out of the Public Domain at will, then there is no effective limit to the duration of copyright protections.

B. Public Purpose

The second Progress Clause limitation this Court has recognized is based on purpose: the Progress Clause requires Congress to exercise its power for a limited and specific purpose – to "promote the Progress of Science and useful Arts." U.S. CONST., art. I, § 8. cl. 8. As this Court explained in *Graham*:

> The Congress in the exercise of the patent power may not overreach the restraints imposed by the stated constitutional purpose. Nor may it enlarge the patent monopoly without regard to the innovation, advancement or social benefit gained thereby. ***Moreover, Congress may not authorize the issuance of patents whose effects are to remove existent knowledge from the public domain, or to restrict free access to materials already available.*** Innovation, advancement, and things which add to the sum of useful knowledge are inherent requisites in a patent system which by constitutional command must "promote the Progress of . . . useful Arts." This is the standard expressed in the Constitution and it may not be ignored.

Graham, 383 U.S. at 5-6 (emphasis added).[5]

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[5] The public welfare the Progress Clause is supposed to "promote" is not limited to invention and creation. The Framers' original understanding of "[p]rogress" included the wide dissemination and diffusion of knowledge. *See* Malla Pollack, *What Is Congress Supposed to Promote?: Defining "Progress" in Article I,*

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Congress must therefore exercise its Progress Clause power to serve public, not simply private, interests. *See Fox Film Corp. v. Doyal*, 286 U.S. 123, 127 (1932) ("The sole interest of the United States and the primary object in conferring the monopoly lie in the general benefits derived by the public from the labors of authors."); *Sony*, 464 U.S. at 429 (purpose of copyright restrictions is to stimulate creativity, not simply to "provide a special private benefit") and n.10 ("The enactment of copyright legislation by Congress under the terms of the Constitution is not based upon any natural right that the author has in his writings, . . . but upon the ground that the welfare of the public will be served."). So even if Congress were permitted, in some limited circumstances, to cross the "bright line" and remove material from the Public Domain, it must still serve a public purpose in doing so. It cannot do so to create strictly private benefits for authors. *See Sony*, 464 U.S. at 439 and n.10; *Graham*, 383 U.S. at 5-6; *Fox Film*, 286 U.S. at 127.[6]

Section 8, Clause 8 of the United States Constitution, or Introducing the Progress Clause, 80 Neb. L. Rev. 754, 758 (2001). Protecting the Public Domain is critical to promoting this aspect of "Progress."

[6] In *Eldred*, this Court explained that its patent decisions may not necessarily extend to the copyright context because the patent bargain differs in some respects from the copyright bargain. *See Eldred*, 537 U.S. at 215-17. Here, no such extension is necessary. This Court's copyright decisions demand the same public purpose its patent decisions demand. *See Sony*, 464 U.S. at 439 and n.10; *Fox Film*, 286 U.S. at 127.

In its first panel decision, the Tenth Circuit heeded that limitation. In rejecting Petitioners' Progress Clause challenge, it assumed that Section 514 was necessary to comply with the Berne Convention. *See Golan II*, 501 F.3d at 1187 ("we do not believe that the decision to comply with the Berne Convention, which secures copyright protections for American works abroad, is so irrational or so unrelated to the aims of the Copyright Clause that it exceeds the reach of congressional power"). In this respect, it shows some parallel to *Eldred*, which found that extending U.S. copyright terms to align them with those specified by the Berne Convention would enhance the creative incentive and thus served the social purpose the Progress Clause demands. *See Eldred*, 537 U.S. at 213.

As it turns out, the Tenth Circuit's assumption was wrong. On remand, the Petitioners proved, and the District Court held, the plain terms of Berne showed that Congress did ***not*** need to enact Section 514 in its present form in order to comply with Berne, and Congress could have complied with Berne while protecting Petitioners' speech interests. *See Golan III*, 611 F. Supp. 2d at 1174.[7]

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[7] In *Luck's Music Library, Inc. v. Gonzales*, 407 F.3d 1262 (D.C. Cir. 2005), the Court rejected the claim that Section 514 was unconstitutional under the Progress Clause. In that case, the plaintiffs did not argue that Section 514 failed to protect reliance interests adequately, *see id.* at 1265, or contend that that Congress could have complied with the Berne Convention

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In its second panel decision, the Tenth Circuit left that holding undisturbed. It concluded the requirements of Berne were "beside the point" and did not address or decide whether Section 514 was necessary to comply with Berne, or pursued any public purpose. *Golan IV*, 609 F.3d at 1091. Instead, it focused on the strictly ***private*** benefits Section 514 might create for American authors, ignoring the question of whether Section 514 created any corresponding ***public*** benefits, such as Berne participation. *See id.* at 1091-94.

If Section 514 were necessary to Berne compliance, it might serve the public function the Progress Clause demands in the same manner *Eldred* identified. Since it was unnecessary to Berne participation, it serves no such purpose and cannot expand the economic incentive that might stimulate greater creativity. At most, Section 514 creates an economic windfall for foreign authors of existing works. For U.S. authors, it creates only a ***potential*** economic windfall but only as to works created long ago. And the actuality of that windfall depends on whether foreign countries decide to provide reciprocal protection not required by Berne.[8]

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while protecting reliance interests like those held by the Petitioners. Petitioners raise both of those challenges here.

[8] The distinction between taking property to create public benefits, versus merely private ones, is also one this Court has recognized in other contexts. While the Fifth Amendment may permit the taking of private property in order to serve the public

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The Tenth Circuit's decision ignores both Progress Clause limitations this Court has identified, and the fact Section 514 violates both of them. In removing material from the Public Domain, it crosses the "bright line" articulated in *Graham* and recognized in *Eldred*, and does so for distinctly private, not public, purposes. Section 514 takes away important public speech rights not out of any need to participate in the Berne Convention, or any public purpose comparable to the one found sufficient in *Eldred*. It does so simply to put more money in the pockets of U.S. authors whose works were created long ago.

III. The Tenth Circuit's Decision Conflicts With This Court's Prior Decisions By Creating An Unprecedented Government Interest In Sacrificing Public Speech Rights To Create Private Economic Windfalls

By putting the terms of Berne entirely aside, the Tenth Circuit invented an important Government interest in creating private economic benefits for U.S. authors at the expense of vested public speech rights. It also ignored the fact there is no substantial evidence that would permit Congress to conclude there was any need to do so, or that Section 514 would actually create any such benefits. These holdings also conflict with this Court's prior decisions.

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interest, it does not permit such a taking simply to bestow private economic benefits. *See Kelo v. City of New London*, 545 U.S. 469, 477-8 (2005).

A. The Government Has No Legitimate Interest In Taking Away Public Speech Rights Simply To Create Private Economic Benefits

On remand, both Petitioners and the Government agreed that intermediate scrutiny applied to Petitioners' First Amendment challenge. The question before the Court was therefore whether the Government could demonstrate an important interest in removing foreign works from the Public Domain, and whether Section 514 was narrowly tailored to that interest. *See Golan III*, 611 F. Supp. 2d 1165; *Golan IV*, 609 F.3d 1076; *see generally Turner Broad. Sys., Inc. v. FCC*, 512 U.S. 622 (1994) ("*Turner I*").

The primary interest the Government asserted was the need to participate in, and comply with, the Berne Convention. *See Golan III*, 611 F. Supp. 2d at 1172; *Golan IV*, 609 F.3d at 1083. While the Government suggested it had an interest in "unquestionable compliance" with Berne, the terms of Berne were the basis of its asserted interest and the critical reference point: The Government denied it went beyond the terms of Berne, while Petitioners contended the Government could have complied with Berne while still protecting Petitioners' reliance interests. The District Court agreed with Petitioners, and held the plain terms of Berne would have permitted the Government to comply with it while providing greater protection for Petitioners' reliance interests. *See Golan III*, 611 F. Supp. 2d at 1174. On this basis, the District Court concluded that Section 514 flunked

intermediate scrutiny because it burdened more speech than necessary to comply with Berne.[9] *See id.*

In reversing the District Court's decision and concluding the terms of Berne are "beside the point," the Court declared the Government has an important interest unconnected to Berne – an interest in "securing protections abroad for American copyright holders." *Golan IV*, 609 F.3d at 1084, 1091. It observed that the U.S. could expect other countries to provide only as much protection for U.S. authors as the U.S. provided to foreign authors, and concluded "the benefit that the government sought to provide to American authors is congruent with the burden that Section 514 imposes on [U.S.] reliance parties." *Id.* at 1091.

The Tenth Circuit made no attempt to explain how providing these benefits to U.S. authors could or would provide any benefits to the U.S. public, or why it is appropriate for reliance parties like Petitioners to bear any burden on their speech rights for the sake of enriching U.S. authors. That was no accident, because there is no plausible public benefit. Participating in

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[9] The Government also asserted an interest in correcting for the supposedly inequitable treatment of foreign authors who lost their copyrights because they did not comply with now-discarded copyright formalities like registration and renewal. The District Court held the Government has no such interest, since Section 514 *creates* inequities where none existed before by "extend[ing] protections to foreign authors that are not afforded United States authors, even in their own country." *Golan III*, 611 F. Supp. 2d at 1177.

and complying with Berne may represent an important Government interest because expanding protection of U.S. works to all 164 Berne signatories may provide additional incentives to create new works. This may provide a pronounced benefit to the U.S. public insofar as it results in the creation of additional works of creativity and expression. But insofar as Section 514 is unnecessary to Berne compliance, it cannot create any such benefit. By definition, it applies only to existing works that were created long ago. Standing alone, Section 514 can do no more than create an economic windfall for foreign authors, and a potential windfall for U.S. authors, by expanding their right to exploit existing works.

The Tenth Circuit tried to avoid this fact by suggesting Section 514 balances the respective speech rights of U.S. authors and reliance parties, and by suggesting the speech interests of reliance parties are diminished insofar as they are simply asserting "the right to make other peoples' speeches." *Golan IV*, 609 F.3d at 1084 (quoting *Eldred*, 537 U.S. at 221). But there are no speech rights at stake for U.S. authors. They chose to speak and spoke freely when they created their works. Nothing in Section 514 interferes with those freedoms. The only question Section 514 affects is the extent to which authors will be able to capture additional economic benefits from those works abroad.

Nor are Petitioners' speech rights diminished on the ground they are making "other peoples' speeches." The Tenth Circuit's first panel decision rejected that

contention outright. It observed the speeches Petitioners were making belonged to them, and held these speech rights are "near the core" of the First Amendment. *See Golan II*, 501 F.3d at 1193. That is undoubtedly true. This Court has repeatedly recognized important First Amendment interests where a speaker performs, publishes or distributes the work of another. *See, e.g.*, *Hurley*, 515 U.S. at 570; *Simon & Schuster*, 502 U.S. at 116; *Ward*, 491 U.S. at 790; *N.Y. Times*, 403 U.S. 713; *see generally* Tushnet, 114 Yale L.J. 535.

Taking vested First Amendment rights away from Petitioners and the public simply to create the chance that U.S. authors might be able to extract additional economic benefits from existing works cannot be a legitimate Government interest. If the Government has an important interest in doing that, it would justify nearly any expansion of copyright restrictions, and conflict with *Eldred* itself. Eliminating the fair use doctrine would presumably further this interest, as would expanding copyright protection to cover facts, "idea[s], procedure[s], process[es], system[s]" or "method[s] of operation" contained in any author's work. *See* 17 U.S.C. § 102(b). Yet these are the very "First Amendment safeguards" that *Eldred* identified. *See Eldred*, 537 U.S. at 220. In this respect, the Tenth Circuit has adopted by implication the very rule this Court rejected in *Eldred*: it has created a Government interest so broad as to make copyright legislation all but immune from First Amendment scrutiny.

Recognizing an interest as broad as the one the Tenth Circuit announced here would also conflict with critical First Amendment principles this Court has identified in other cases. This Court has recognized the First Amendment does not permit Congress to reallocate speech interests among different speakers. *See Citizens United v. FEC*, at 130 S.Ct. 876, 899 (2010) (Congress interferes with speech rights "[b]y taking the right to speak from some and giving it to others"); *Buckley v. Valeo*, 424 U.S. 1, 48-49 (1976) ("[T]he concept that government may restrict the speech of some elements of our society in order to enhance the relative voice of others is wholly foreign to the First Amendment."); *see also* Neil W. Netanel, *Locating Copyright Within The First Amendment Skein*, 54 Stan. L. Rev. 1, 55-56 (2001) (copyright regulations fall within category of content-neutral regulations that courts must scrutinize more rigorously because they allocate speech entitlements among different classes of speakers). Indeed, this Court has refused to recognize an interest in reallocating speech rights even where its posited purpose is to uphold critical public interests relating to electoral fairness and preventing public corruption. *See Citizens United*, 130 S.Ct. at 904-11. If the Government lacks a proper interest in taking the right to speak from one and giving it to another in order to pursue these important public goals, it certainly has no proper interest in doing so to create nothing more than private economic benefits.

B. The Tenth Circuit's Decision Ignores The Fact There Was No Evidence Of Any Real Harm To Cure, Or That Section 514 Would Advance The Interest The Court Identified

The Tenth Circuit went on to compound its error by misapplying the second half of the intermediate scrutiny test, and sowing confusion over the Government's evidentiary burden.

In *Turner*, this Court held the Government must do more than simply identify an important Governmental interest in the abstract. The Government must demonstrate it seeks to cure harms that are "real, not merely conjectural" and show the regulation will alleviate the harm and advance the Government's interest in a direct and material way. *See Turner I*, 512 U.S. at 664. The District Court therefore recognized that:

> while Congress's predictive judgments are entitled to substantial deference-a court must "assure that, in formulating its judgments, Congress has drawn reasonable inferences based on substantial evidence." *See id.* at 665-66. When Congress "trench[es] on *first amendment* interests, even incidentally, the government must be able to adduce either empirical support or at least sound reasoning on behalf of its measures." *See id.* at 666 (quoting *Century Comm.'s Corp. v. FCC*, 835 F.2d 292, 304 (D.C. Cir. 1987)). This requires an analysis of evidence speaking to the precise question at issue. *See id.* at

> 666-67. Without the benefit of specific factual data supporting Congress's reasoning, a court "cannot determine whether the threat is real enough" to constitute an important Government interest, or whether the remedy chosen is sufficiently narrow to overcome a *First Amendment* challenge. *See id.* at 665-67.

See Golan III, 611 F. Supp. 2d at 1176.

Even if creating private economic benefits for U.S. authors is an important interest in the abstract, the Government did not meet its burden of demonstrating there was any real harm or threat that would justify imposing any restrictions on the speech rights of Petitioners or the public.

While there may have been substantial evidence suggesting the failure to comply with Berne would subject the United States to trade sanctions and other real harms, there was no evidence to suggest there was any real harm to address or avoid beyond the harm that would occur if the U.S. did not comply with Berne. There was no empirical support or data that suggested U.S. authors were in any financial jeopardy, or that the economic benefits U.S. authors already received on existing works were inadequate to generate sufficient creative incentives. *See Turner I*, 512 U.S. at 664-5 (in order to justify regulations of speech to protect local broadcasters, the Government must show "that the economic health of local broadcasting is in genuine jeopardy and in need of the [new] protections" Congress enacted).

Once divorced from the interest in Berne compliance, the only rationale for trying to increase economic benefits for U.S. authors is "more is better." But more protection is always better – for copyright owners. It is not always better for the public, especially when it is the public's speech rights that are being sacrificed to create putative financial benefits for copyright owners. Once Berne is put aside, there simply is no evidence of any threat or potential harm sufficient to justify the infringement of Petitioners' First Amendment rights. *See Turner I*, 512 U.S. at 667 (remanding where record did not permit Court to determine whether local broadcasters were "at serious risk of financial difficulty" or whether "the threat to broadcast television is real enough" to overcome Petitioners' First Amendment interests).

Finally, even if there were evidence of a real harm to be addressed, there was no substantial evidence on which Congress could plausibly conclude Section 514 would provide any benefit to U.S. authors independent of Berne. The vast bulk of testimony and evidence Congress had before it regarding Section 514 related to the need to comply with Berne. Little, if any, related to the question of whether Section 514 would create any benefits for U.S. authors apart from Berne compliance. Indeed, all of the evidence the Tenth Circuit points to in satisfaction of the *Turner* standard consists of nothing but highly conclusory statements made in passing. *See Golan IV*, 609 F.3d at 1087-88. In reality, these statements are nothing more than guesses about what unspecified countries

might do someday. *See id.* At best they are predictions, but they are not based on anything like the "empirical support" or "factual predictions" *Turner* demands. *See Turner I*, 512 U.S. at 666. *Compare Turner Broad. Sys., Inc. v. FCC*, 520 U.S. 180, 196-210 (1997) (detailing extensive evidence justifying must-carry provisions, including "years of testimony" and "volumes of documentary evidence and studies offered by both sides").

CONCLUSION

This Court should grant certiorari to address the exceptionally important constitutional questions this case presents.

October 20, 2010 Respectfully submitted,

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609 F.3d 1076

United States Court of Appeals,
Tenth Circuit.

Lawrence GOLAN; Estate Of Richard Kapp; S.A. Publishing Co., Inc., doing business as ESS.A.Y. Recordings; Symphony of the Canyons; Ron Hall, doing business as Festival Films; John McDonough, doing business as Timeless Video Alternatives International, Plaintiffs-Appellees and Cross-Appellants,

v.

Eric H. HOLDER, Jr., in his official capacity as Attorney General of the United States; Marybeth Peters, in her official capacity as Register of Copyrights, Copyright Office of the United States, Defendants-Appellants and Cross-Appellees.

Association of American Publishers, Defendant.

Motion Picture Association of America, Inc.; International Coalition for Copyright Protection; The American Society Of Composers, Authors and Publishers; The American Society of Media Photographers; The Association of American Publishers; Broadcast Music, Inc.; The Music Publishers Association of the United States; The Software and Information Industry Association; The Recording Industry Association of America; Reed Elservier, Inc.; Houghton Mifflin Harcourt Publishing Co.; Professor Daniel Gervais, Amici Curiae.

Nos. 09-1234, 09-1261.

June 21, 2010.

John S. Koppel, Attorney (Tony West, Assistant Attorney General; David M. Gaouette, Acting United States Attorney; William Kanter, Attorney, with him

on the briefs), Appellate Staff, Civil Division, Department of Justice, Washington, D.C., for Defendants-Appellants and Cross-Appellees.

Anthony T. Falzone, Attorney, Center for Internet and Society, Stanford Law School, Stanford, CA, (Julie A. Ahrens, Attorney, Center for Internet and Society, Stanford Law School, Stanford, CA; Hugh Q. Gottschalk and Carolyn J. Fairless, of Wheeler Trigg O'Donnell LLP, Denver, CO; and Lawrence Lessig, Harvard Law School, Cambridge, MA, with him on the briefs), for Plaintiffs-Appellees and Cross-Appellants.

Paul Bender, Christopher A. Mohr, and Michael R. Klipper, of Meyer, Klipper & Mohr PLLC, Washington, D.C.; Thomas Kanan and Jonathan Decker, of McElroy, Deutsch, Mulvaney & Carpenter, Greenwood Village, CO, filed an amici curiae brief for the American Society of Composers, Authors and Publishers, the American Society of Media Photographers, the Association of American Publishers, Broadcast Music, Inc., Houghton Mifflin Harcourt Publishing Co., the Music Publishers Association of the United States, the Software and Information Industry Association, the Recording Industry Association of America, and Reed Elsevier, Inc.

Seth P. Waxman, Randolph D. Moss, D. Hien Tran, and Thomas Saunders, of Wilmer Cutler Pickering Hale and Dorr LLP, Washington, D.C., have filed an amicus curiae brief for the Motion Picture Association of America, Inc.

Eric M. Lieberman, David B. Goldstein, and Christopher J. Klatell, of Rabinowitz, Boudin, Standard, Krinsky & Lieberman, P.C., New York, NY, have filed an amicus curiae brief for the International Coalition for Copyright Protection.

Alan C. Friedberg of Pendleton, Friedberg, Wilson & Hennessey, P.C., Denver, CO, has filed an amicus curiae brief for Professor Daniel J. Gervais.

Before BRISCOE, Chief Judge, CUDAHY,* and TACHA, Circuit Judges.

BRISCOE, Chief Judge.

Plaintiffs brought this action challenging the constitutionality of Section 514 of the Uruguay Round Agreements Act ("URAA"), Pub.L. No. 103-465, § 514, 108 Stat. 4809, 4976-81 (1994) (codified as amended at 17 U.S.C. §§ 104A, 109), which granted copyright protection to various foreign works that were previously in the public domain in the United States. The district court granted plaintiffs' motion for summary judgment, concluding that Section 514 violates plaintiffs' freedom of expression under the First Amendment. In Case No. 09-1234, the government appeals the district court's order granting plaintiffs' motion for summary judgment and denying the government's motion, arguing that Section

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* The Honorable Richard D. Cudahy, Senior Circuit Judge, United States Court of Appeals for the Seventh Circuit, sitting by designation.

514 is a valid, content-neutral regulation of speech. In Case No. 09-1261, plaintiffs cross-appeal, contending that the statute is facially invalid and that they are entitled to injunctive relief. Exercising jurisdiction pursuant to 28 U.S.C. § 1291, we reverse the judgment of the district court and conclude that Section 514 of the URAA is not violative of the First Amendment.

I. Statutory Background

In 1989, the United States joined the Berne Convention for the Protection of Literary and Artistic Works ("Berne Convention"). The Berne Convention requires each signatory to provide the same copyright protections to authors in other member countries that it provides to its own authors. Pursuant to Article 18, when a country joins the Convention, it must provide copyright protection to preexisting foreign works even when those works were previously in the public domain in that country.[1] However, when the United

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[1] Article 18 of the Berne Convention provides:

(1) This Convention shall apply to all works which, at the moment of its coming into force, have not yet fallen into the public domain in the country of origin through the expiry of the term of protection.

(2) If, however, through the expiry of the term of protection which was previously granted, a work has fallen into the public domain of the country where protection is claimed, that work shall not be protected anew.

(Continued on following page)

States joined the Berne Convention, the implementing legislation did not extend copyrights to any foreign works that were already in the public domain in the United States. *See* Berne Convention Implementation Act of 1988, Pub.L. 100-568, § 12, 102 Stat. 2853, 2860 ("Title 17, United States Code, as amended by this Act, does not provide copyright protection for any work that is in the public domain in the United States."); *see generally* 7 William F. Patry, *Patry on Copyright* § 24:21 (2010).

In April 1994, the United States signed various trade agreements in the Uruguay Round General Agreement on Tariffs and Trade. Included in this round of agreements was the Agreement on Trade Related Aspects of Intellectual Property Rights (TRIPs). The TRIPs agreement required, in part, that its signatories comply with Article 18 of the Berne Convention, and thus, extend copyright protection to all works of foreign origin whose term of protection had not expired. Unlike the Berne Convention, the

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> (3) The application of this principle shall be subject to any provisions contained in special conventions to that effect existing or to be concluded between countries of the Union. In the absence of such provisions, the respective countries shall determine, each in so far as it is concerned, the conditions of application of this principle.
>
> (4) The preceding provisions shall also apply in the case of new accessions to the Union. . . .

Berne Convention, art. 18, Sept. 9, 1886 (revised at Paris on July 24, 1971).

TRIPs agreement provided for dispute resolution before the World Trade Organization. *See Patry on Copyright* at § 24:1.

In order to comply with these international agreements, Congress enacted the URAA. In particular, Section 514 of the URAA implements Article 18 of the Berne Convention. Section 514 "restores"[2] copyrights in foreign works that were formerly in the public domain in the United States for one of three specified reasons: failure to comply with formalities, lack of subject matter protection, or lack of national eligibility. *See* 17 U.S.C. § 104A(a), (h)(6)(C). Section 514 does not restore copyrights in foreign works that entered the public domain through the expiration of the term of protection. *See id.* § 104A(h)(6)(B).

In addition to restoring copyrights in preexisting foreign works, Section 514 provides some protections for reliance parties[3] such as plaintiffs who had

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[2] Although Section 514 grants copyright protection to works that never obtained copyrights in the United States, as well as works that lost copyright protection for failing to comply with various formalities, the parties refer to this as copyright "restoration," and the statute likewise refers to "restored works," *see* 17 U.S.C. § 104A(h)(6). For clarity and consistency, we will as well.

[3] A "reliance party" is defined as a person who:

> (A) with respect to a particular work, engages in acts, before the source country of that work becomes an eligible country, which would have violated section 106 if the restored work had been subject to copyright

(Continued on following page)

exploited these works prior to their restoration. *See id.* § 104A(d)(2)-(4). In order to enforce a restored copyright against a reliance party, a foreign copyright owner must either file notice with the Copyright Office within twenty-four months of restoration, *id.* § 104A(d)(2)(A)(i), or serve actual notice on the reliance party, *id.* § 104A(d)(2)(B)(i). A reliance party is liable for infringing acts that occur after the end of a twelve month grace period, starting from notice of restoration, *id.* § 104A(d)(2)(A)(ii)(I), (d)(2)(B)(ii)(I). Reliance parties may sell or otherwise dispose of restored works during this grace period, *id.* § 109(a), but they cannot make additional copies during this time, *id.* § 104A(d)(2)(A)(ii)(III), (d)(2)(B)(ii)(III).

Section 514 provides further protections for reliance parties who, prior to restoration, created a derivative work[4] that was based on a restored work.

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protection, and who, after the source country becomes an eligible country, continues to engage in such acts;

(B) before the source country of a particular work becomes an eligible country, makes or acquires 1 or more copies or phonorecords of that work; or

(C) as the result of the sale or other disposition of a derivative work covered under subsection (d)(3), or significant assets of a person described in subparagraph (A) or (B), is a successor, assignee, or licensee of that person.

17 U.S.C. § 104A(h)(4).

[4] "A 'derivative work' is a work based upon one or more preexisting works, such as a translation, musical arrangement, dramatization, fictionalization, motion picture version, sound recording, art reproduction, abridgment, condensation, or any

(Continued on following page)

Under Section 514, "a reliance party may continue to exploit that derivative work for the duration of the restored copyright if the reliance party pays to the owner of the restored copyright reasonable compensation. . . ." *Id.* § 104A(d)(3)(A). If the parties are unable to agree on reasonable compensation, a federal court will determine the amount of compensation. *See id.* § 104A(d)(3)(B).

II. Factual and Procedural Background

The factual background is not in dispute. Plaintiffs are orchestra conductors, educators, performers, publishers, film archivists, and motion picture distributors who have relied on artistic works in the public domain for their livelihoods. They perform, distribute, and sell public domain works. The late plaintiff Kapp created a derivative work – a sound recording based on several compositions by Dmitri Shostakovich. Section 514 of the URAA provided copyright protection to these foreign works, removing them from the public domain in the United States. As a result, plaintiffs are either prevented from using these works or are required to pay licensing fees to the copyright holders – fees that are often cost-prohibitive for plaintiffs.

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other form in which a work may be recast, transformed, or adapted. A work consisting of editorial revisions, annotations, elaborations, or other modifications which, as a whole, represent an original work of authorship, is a 'derivative work'." 17 U.S.C. § 101.

Plaintiffs filed this action, challenging the constitutionality of the Copyright Term Extension Act, Pub.L. No 105-298, § 102(b), (d), 112 Stat. 2827, 2827-28 (1998), and Section 514 of the URAA, seeking declaratory and injunctive relief. Initially, the district court granted summary judgment to the government. On appeal, we concluded that plaintiffs' challenge to the Copyright Term Extension Act was foreclosed by the Supreme Court's decision in *Eldred v. Ashcroft*, 537 U.S. 186, 123 S.Ct. 769, 154 L.Ed.2d 683 (2003). *See Golan v. Gonzales*, 501 F.3d 1179, 1182 (10th Cir.2007) ("*Golan I*"). We also held that "[Section] 514 of the URAA ha[d] not exceeded the limitations inherent in the Copyright Clause" of the United States Constitution. *Id.*[5] We recognized that "legislation promulgated pursuant to the Copyright Clause must still comport with other express limitations of the Constitution," *id.* at 1187, and concluded that plaintiffs had "shown sufficient free expression interests in works removed from the public domain to require First Amendment scrutiny of [Section] 514," *id.* at 1182. We then remanded the case to the district court to "assess whether [Section] 514 is content-based or content-neutral," *id.* at 1196, and to apply the appropriate level of constitutional scrutiny.

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[5] The Constitution provides Congress with the power "To promote the Progress of Science and useful Arts, by securing for limited Times to Authors and Inventors the exclusive Right to their respective Writings and Discoveries." U.S. Const. art. I, § 8, cl. 8.

On remand, the parties filed cross-motions for summary judgment. The government and plaintiffs agreed that Section 514 is a content-neutral regulation of speech, and thus should be subject to intermediate scrutiny. The district court concluded that "to the extent Section 514 suppresses the right of reliance parties to use works they exploited while the works were in the public domain," Section 514 was unconstitutional. *Golan v. Holder,* 611 F.Supp.2d 1165, 1177 (D.Colo.2009). Consequently, the district court granted plaintiffs' motion for summary judgment, and denied the government's motion.

The government timely appealed the district court's order, arguing that Section 514 of the URAA does not violate the First Amendment. Plaintiffs cross-appealed, arguing that the district court failed to provide all of the relief that they requested. Specifically, plaintiffs request that we adjudicate their facial challenge to Section 514, direct the district court to enjoin Attorney General Holder from enforcing the statute, and order the Register of Copyrights Marybeth Peters to cancel the copyright registrations of restored works.

III. Government's Appeal (No. 09-1234)

"We review de novo challenges to the constitutionality of a statute." *Am. Target Adver., Inc. v. Giani,* 199 F.3d 1241, 1247 (10th Cir.2000). Because this case implicates the First Amendment, "we have 'an obligation to make an independent examination of

the whole record in order to make sure that the judgment does not constitute a forbidden intrusion on the field of free expression.'" *Citizens for Peace in Space v. City of Colorado Springs,* 477 F.3d 1212, 1219 (10th Cir.2007) (quoting *Bose Corp. v. Consumers Union of United States, Inc.,* 466 U.S. 485, 499, 104 S.Ct. 1949, 80 L.Ed.2d 502 (1984)).

The parties agree that Section 514 of the URAA is a content-neutral regulation of speech, and thus, is subject to intermediate scrutiny. Although their position is "not controlling given our special standard of de novo review," *id.* at 1220, we agree that Section 514 is a content-neutral regulation of speech.

In determining whether a regulation is content-neutral or content-based, "'the government's purpose in enacting the regulation is the controlling consideration.'" *Z.J. Gifts D-2, L.L.C. v. City of Aurora,* 136 F.3d 683, 686 (10th Cir.1998) (quoting *Ward v. Rock Against Racism,* 491 U.S. 781, 791, 109 S.Ct. 2746, 105 L.Ed.2d 661 (1989) (brackets omitted)). The primary inquiry "is whether the government has adopted a regulation of speech because of disagreement with the message it conveys." *Ward,* 491 U.S. at 791, 109 S.Ct. 2746. "If the regulation serves purposes unrelated to the content of expression it is considered neutral, even if it has an incidental effect on some speakers or messages but not others." *Z.J. Gifts,* 136 F.3d at 686 (quotations and citation omitted). On its face, Section 514 is content-neutral. Moreover, there is no indication that the government adopted Section 514 "'because of agreement or disagreement

with the message [that the regulated speech] conveys.'" *See Turner Broad. Sys., Inc. v. FCC*, 512 U.S. 622, 642, 114 S.Ct. 2445, 129 L.Ed.2d 497 (1994) ("*Turner I*") (brackets omitted, quoting *Ward*, 491 U.S. at 791, 109 S.Ct. 2746). Congress primarily enacted Section 514 to comply with the United States' international obligations and to protect American authors' rights abroad. Therefore, we agree that it is a content-neutral regulation.

In reviewing the constitutionality of a content-neutral regulation of speech, we apply "an intermediate level of scrutiny, because in most cases [such regulations] pose a less substantial risk of excising certain ideas or viewpoints from the public dialogue." *Id.* (internal citation omitted). Applying intermediate scrutiny, a content-neutral statute "will be sustained under the First Amendment if it advances important governmental interests unrelated to the suppression of free speech and does not burden substantially more speech than necessary to further those interests." *Turner Broad. Sys., Inc. v. FCC*, 520 U.S. 180, 189, 117 S.Ct. 1174, 137 L.Ed.2d 369 (1997) ("*Turner II*").

The government argues on appeal that Section 514 is narrowly tailored to advancing three important governmental interests: (1) attaining indisputable compliance with international treaties and multilateral agreements, (2) obtaining legal protections for American copyright holders' interests abroad, and (3) remedying past inequities of foreign authors who lost or never obtained copyrights in the United States. We hold that the government has

demonstrated a substantial interest in protecting American copyright holders' interests abroad, and Section 514 is narrowly tailored to advance that interest.[6] Consequently, the district court erred in concluding that Section 514 violates plaintiffs' First Amendment rights.

A. Governmental Interest

1. Section 514 addresses a substantial or important governmental interest.

In order for a statute to survive intermediate scrutiny, the statute must be directed at an important or substantial governmental interest unrelated to the suppression of free expression. *See Turner I*, 512 U.S. at 662, 114 S.Ct. 2445. We have no difficulty in concluding that the government's interest in securing protections abroad for American copyright holders satisfies this standard.

Copyright serves to advance both the economic and expressive interests of American authors. *See Eldred*, 537 U.S. at 211-13, 123 S.Ct. 769. In addition

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[6] Accordingly, we do not reach the validity of the government's first or third asserted interests, i.e., that Section 514 advances the government's interest in "indisputable compliance" with the Berne Convention, Appellant's Br. at 30, or that it remedies historic inequities of foreign authors who lost or never obtained copyrights in the United States. We offer no opinion on whether these asserted interests, by themselves, are sufficient to withstand intermediate scrutiny.

to creating economic incentives that further expression, copyright also serves authors' First Amendment interests. "[F]reedom of thought and expression 'includes both the right to speak freely and the right to refrain from speaking at all.'" *Harper & Row Publishers, Inc. v. Nation Enter.*, 471 U.S. 539, 559, 105 S.Ct. 2218, 85 L.Ed.2d 588 (1985) (quoting *Wooley v. Maynard*, 430 U.S. 705, 714, 97 S.Ct. 1428, 51 L.Ed.2d 752 (1977)); *see also Eldred*, 537 U.S. at 221, 123 S.Ct. 769. "Courts and commentators have recognized that copyright . . . serve[s] this countervailing First Amendment value" of the freedom not to speak. *Harper & Row*, 471 U.S. at 560, 105 S.Ct. 2218.

Plaintiffs contend that the government does not have an important interest in a "reallocation of speech interests" between American reliance parties and American copyright holders. Appellees' Br. at 48. However, the Supreme Court has recognized that not all First Amendment interests are equal. *See Eldred*, 537 U.S. at 221, 123 S.Ct. 769. "The First Amendment securely protects the freedom to make – or decline to make – one's own speech; it bears less heavily when speakers assert the right to make other people's speeches." *Id.* Although plaintiffs have First Amendment interests, *see Golan I*, 501 F.3d at 1194, so too do American authors.

Securing foreign copyrights for American works preserves the authors' economic and expressive interests. These interests are at least as important or substantial as other interests that the Supreme Court has found to be sufficiently important or substantial

to satisfy intermediate scrutiny. *See, e.g., Members of City Council v. Taxpayers for Vincent*, 466 U.S. 789, 807, 104 S.Ct. 2118, 80 L.Ed.2d 772 (1984) ("The problem addressed by this ordinance – the visual assault . . . presented by an accumulation of signs posted on public property – constitutes a significant substantive evil within the City's power to prohibit."). Accordingly, Section 514 advances an important or substantial governmental interest unrelated to the suppression of free expression.

2. Section 514 addresses a real harm.

The government's asserted interest cannot be merely important in the abstract – the statute must be directed at a real, and not merely conjectural, harm. *Turner I*, 512 U.S. at 664, 114 S.Ct. 2445 (plurality opinion). Thus, we must examine whether Section 514 was "designed to address a real harm, and whether [it] will alleviate [that harm] in a material way." *See Turner II*, 520 U.S. at 195, 117 S.Ct. 1174. In undertaking this review, we "must accord substantial deference to the predictive judgments of Congress. Our sole obligation is to assure that, in formulating its judgments, Congress has drawn reasonable inferences based on substantial evidence." *Id.* (quotations and citation omitted).

"[S]ubstantiality is to be measured in this context by a standard more deferential than we accord to judgments of an administrative agency." *Id.* This deferential standard is warranted for two important

reasons. First, Congress is "far better equipped" as an institution "to amass and evaluate the vast amounts of data bearing upon the legislative questions." *Id.* (quotations and citation omitted). Second, we owe Congress "an additional measure of deference out of respect for its authority to exercise the legislative power." *Id.* at 196, 117 S.Ct. 1174.

> Even in the realm of First Amendment questions where Congress must base its conclusions upon substantial evidence, deference must be accorded to its findings as to the harm to be avoided and to the remedial measures adopted for that end, lest we infringe on traditional legislative authority to make predictive judgments. . . .

Id.

Additionally, the other branches' judgments regarding foreign affairs warrant special deference from the courts. *See Citizens for Peace in Space,* 477 F.3d at 1221 ("Courts have historically given special deference to other branches in matters relating to foreign affairs, international relations, and national security; even when constitutional rights are invoked by a plaintiff."). The Supreme Court has "consistently acknowledged that the nuances of the foreign policy of the United States are much more the province of the Executive Branch and Congress than of [the courts]." *Crosby v. Nat'l Foreign Trade Council,* 530 U.S. 363, 386, 120 S.Ct. 2288, 147 L.Ed.2d 352 (2000) (quotations and alterations omitted); *see also Regan v. Wald,* 468 U.S. 222, 242, 104 S.Ct. 3026, 82 L.Ed.2d

171 (1984) (noting the "classical deference to the political branches in matters of foreign policy"); *First Nat'l City Bank v. Banco Nacional de Cuba,* 406 U.S. 759, 765, 92 S.Ct. 1808, 32 L.Ed.2d 466 (1972) (discussing the "judicial deference to the exclusive power of the Executive over conduct of relations with other sovereign powers and the power of the Senate to advise and consent on the making of treaties"). As such, we apply considerable deference to Congress and the Executive in making decisions that require predictive judgments in the areas of foreign affairs.

To be clear, we do not suggest that Congress's decisions regarding foreign affairs are entirely immune from the requirements of the First Amendment. *See Turner I,* 512 U.S. at 666, 114 S.Ct. 2445 (plurality opinion) ("That Congress' predictive judgments are entitled to substantial deference does not mean, however, that they are insulated from meaningful judicial review altogether."); *see also Boos v. Barry,* 485 U.S. 312, 323, 108 S.Ct. 1157, 99 L.Ed.2d 333 (1988) ("[I]t is well established that no agreement with a foreign nation can confer power on the Congress, or on any other branch of Government, which is free from the restraints of the Constitution." (quotations and citation omitted)). Rather, we merely acknowledge that in undertaking our constitutional review of a content-neutral statute, Congress's predictive judgments are entitled to "substantial deference," *Turner II,* 520 U.S. at 195, 117 S.Ct. 1174, and in this particular context, our review of Congress's predictive judgments is further informed by the

special deference that Congress and the Executive Branch deserve in matters of foreign affairs.

Turning to the issue at hand, prior to enacting Section 514 of the URAA, Congress heard testimony addressing the interests of American copyright holders. In particular, American works were unprotected in several foreign countries, to the detriment of the United States' interests. *See General Agreement on Tariffs and Trade (GATT): Intellectual Property Provisions: Joint Hearing on H.R. 4894 and S. 2368 Before the Subcomm. on Intellectual Property and Judicial Administration of the H. Comm. on the Judiciary and the Subcomm. on Patents, Copyrights, and Trademarks of the S. Comm. on the Judiciary,* 103d Cong., 2d Sess., 262 (1994) [hereinafter "*Joint Hearings*"] (statement of Jason S. Berman, Chairman and CEO of the Recording Industry Association of America) ("[T]here are vastly more U.S. works currently unprotected in foreign markets than foreign ones here, and the economic consequences of [granting retroactive copyright protection] are dramatically in favor of U.S. industries.").[7] By some estimates, billions of dollars were being lost each year because foreign countries were not providing copyright protections to American works that were in the public

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[7] The parties have cited to portions of the Congressional hearings regarding the intellectual property provisions of the Uruguay Round Agreements. We take judicial notice of the entirety of these hearings. *See Adarand Constructors, Inc. v. Slater,* 228 F.3d 1147, 1168 n. 12 (10th Cir.2000).

domain abroad. *See id.* at 246, 117 S.Ct. 1174 (statement of Eric Smith, Executive Director and General Counsel of the International Intellectual Property Alliance) ("Literally billions of dollars have been and will be lost every year by U.S. authors, producers and publishers because of the failure of many of our trading partners to protect U.S. works which were created prior to the date the U.S. established copyright relations with that country, or, for other reasons, these works have fallen prematurely out of copyright in that country.").

Congress had substantial evidence from which it could reasonably conclude that the ongoing harms to American authors were real and not merely conjectural. Around the globe, American works were being exploited without the copyright owners' consent and without providing compensation. Thus, there was a "substantial basis to support Congress' conclusion that a real threat justified enactment of" Section 514 of the URAA. *See Turner II,* 520 U.S. at 196, 117 S.Ct. 1174.

3. *Substantial evidence supported the conclusion that Section 514 would alleviate these harms.*

Next, we must determine whether there was substantial evidence from which Congress could conclude that Section 514 would alleviate these harms to American copyright holders. *See id.* at 213, 117 S.Ct. 1174. At the Joint Hearings, Congress heard

testimony that by refusing to restore copyrights in foreign works in the public domain, the United States was not in compliance with its obligations under the Berne Convention. *See Joint Hearings* at 137 (statement of Ira Shapiro, General Counsel, Office of the U.S. Trade Representative) ("It is likely that other [World Trade Organization] members would challenge the current U.S. implementation of Berne Article 18. . . ."); *id* at 248 (statement of Eric Smith) ("Many of our trading partners, particularly in Europe, have made it clear to this country that they consider us in violation of our obligations under Article 18."). In addition, the United States' refusal to restore foreign copyrights was harming American authors' interests abroad: foreign countries were following the United States' example of refusing to restore copyrights in works in the public domain. *See id.* at 137 (statement of Ira Shapiro) ("Some other countries, such as Thailand and Russia, have refused to protect U.S. works in the public domain in their territory citing the U.S. interpretation of Berne Article 18 as justification.").

Further, the United States' trading partners had represented that they would restore American copyrights only if the United States restored foreign copyrights. *See id.* at 249 n. 2 (statement of Eric Smith) ("The Russian government has made clear that it will provide retroactive protection for 'works' only if the U.S. reciprocates with retroactive protection for Russian works."). Foreign countries were willing to provide, at most, reciprocal copyright protections to American works. *See id.* at 120

(Appendix to Statement of Bruce Lehman, Assistant Secretary of Commerce and Commissioner of Patents and Trademarks) ("When we have urged others to provide protection for our industries' repertoire of existing copyrighted works, we are often confronted with the position that such protection will be provided there when we protect their works in the same manner here in the United States. Clearly, providing for such protection for existing works in our own law will improve our position in future negotiations."). Moreover, the United States had an opportunity to set an example for copyright restoration for other countries. *See id.* at 225 (statement of Irwin Karp, Counsel, Committee for Literary Studies) ("U.S. retroactive protection for foreign works in our public domain may induce other countries with whom we recently established copyright relations to grant retroactive protection to contemporary U.S. works that previously fell into their public domains."). Thus, if the United States wanted certain protections for American authors, it had to provide those protections for foreign authors.

Plaintiffs aver that Congress was presented with evidence regarding the need to restore copyrights generally, but that there was no evidence that Congress needed to provide limited protections for reliance parties. According to plaintiffs, there is "no support for the conclusion that enacting more stringent measures against reliance parties . . . would have any impact whatsoever on the behavior of foreign countries." Appellees' Br. at 46. To the

contrary, Congress heard testimony that the United States' chosen method and scope of copyright restoration would impact other nations that were similarly deciding how to restore copyrights.

In particular, Congress heard testimony that the United States could set an example regarding copyright restoration, and other countries might mirror the United States' approach. For example, Ira Shapiro, General Counsel of the Office of the United States Trade Representative, testified that "the choices made in our implementation of the TRIPs agreement will set an example for other countries as governments decide on their own implementing legislation as well as influence future disputes over the obligations of the Agreement." *Joint Hearings* at 136; *see also id.* at 134 ("U.S. leadership in achieving prompt approval of the Uruguay Round Agreements and effective implementation of the obligations in those agreements is vital and will set the pattern for other countries to follow."). Additionally, Eric Smith, speaking on behalf of a consortium of trade associations whose members represented both American copyright industries and reliance parties, testified as follows:

> The fact is that what the United States does in this area will carry great weight in the international community. If we interpret Article 18 and the TRIPS provisions to deny protection *or significantly limit its scope,* our trading partners – just now considering their own implementing legislation – will feel free

> to simply mirror our views. If the largest exporter of copyrighted material in the world takes the position that we have no, or only limited, obligations, the United States will have little credibility in convincing particularly the new nations with whom we are just starting copyright relations *to give us the expansive protection that we need*.

Joint Hearings at 247 (emphases added); *see also id.* at 248 ("[T]aking this action in the 'implementing' legislation will convey clearly the view of the U.S. that it believes that other countries are *similarly required to adopt the same position in* pending legislation or otherwise clarify that foreign preexisting works must be *fully recaptured and protected.*" (emphases added)); *id.* at 131 (testimony of Ira Shapiro) ("[A]s the world leader, it is critically important that we implement fully in the retroactivity area."); *id.* at 291 (testimony of Jason S. Berman) ("[T]he Russians simply said to the United States negotiators . . . that they will interpret their obligations on retroactivity in exactly the same manner that the United States interprets its obligations. So what we are doing here, I believe, is establishing by virtue of what we do the ground rule for retroactivity."); *id.* at 256 (statement of Jack Valenti, President and CEO of the Motion Picture Association of America) ("If the U.S. 'retroactively' protects works from, for example, Russia, the former Soviet Republics, the former Eastern Bloc countries, South Korea, China, then we have every reason to expect those countries to protect previously produced American creative works."). Thus, Congress

heard testimony from a number of witnesses that the United States' position on the scope of copyright restoration – which necessarily includes the enforcement against reliance parties – was critical to the United States' ability to obtain similar protections for American copyright holders.

Further, Congress squarely faced the need to balance the interests of American copyright holders and American reliance parties.[8] In his opening remarks, Senator DeConcini stated:

> The conventional wisdom within the U.S. copyright community is that through the restoration of copyright protection to foreign authors we will get more than we give because U.S. authors will be able to retrieve far more works in foreign countries than foreign authors will retrieve here in the United States.
>
> . . . .
>
> . . . [I]f we set out to restore copyright protection to foreign works, we must provide protection that is complete and meaningful. By the same token, we must ensure that copyright restoration provides reliance users a sufficient opportunity to recoup their investment.

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[8] The testimony to Congress was primarily concerned with reliance parties' possible claims under the Takings Clause of the Fifth Amendment. Plaintiffs have not brought such a claim in the case at bar.

> *Id.* at 81-82 (Statement of Sen. DeConcini). Congress also heard from Eric Smith, who testified that the bills under consideration would provide a careful balance between the need, on the one hand, to establish a "model" provision which other countries could follow in order to secure effective restoration of our copyrights abroad and the need, on the other hand, to balance the rights of foreign authors whose works are restored in the U.S. with the domestic users that may have relied on the public domain status of the work in making investments.
>
> *Id.* at 252.

In spite of this testimony, plaintiffs contend that the government's interest is too speculative to satisfy intermediate scrutiny. Although we require "substantial evidence" in order to satisfy intermediate scrutiny, *see Turner I,* 512 U.S. at 667, 114 S.Ct. 2445 (plurality opinion), the evidentiary requirement is not as onerous as plaintiffs would have us impose. The Supreme Court has cautioned that imposing too strict of an evidentiary requirement on Congress is "an improper burden for courts to impose on the Legislative Branch." *Turner II,* 520 U.S. at 213, 117 S.Ct. 1174 (quotation omitted). An overly demanding "amount of detail is as unreasonable in the legislative context as it is constitutionally unwarranted. Congress is not obligated, when enacting its statutes, to make a record of the type that an administrative agency or court does to accommodate judicial review." *Id.*

"Sound policymaking often requires legislators to forecast future events and to anticipate the likely impact of these events based on deductions and inferences for which complete empirical support may be unavailable." *Turner I,* 512 U.S. at 665, 114 S.Ct. 2445 (plurality opinion). Past conduct may be the best – and sometimes only – evidence available to Congress in making predictive judgments. *Cf. Ward,* 491 U.S. at 800, 109 S.Ct. 2746 ("Absent [the regulation at issue], the city's interest would have been served less well, as is evidenced by the complaints about excessive volume generated by respondent's past concerts."). We think that this is especially true in areas that involve predictions of foreign relations and diplomacy, where empirical data will rarely be available, and to which considerable deference is owed to Congress and the Executive.

Plaintiffs direct our attention to evidence in the Congressional record that contradicted the view that other countries would follow the United States' approach to copyright restoration. More specifically, Irwin Karp stated:

> When these countries grant retroactivity, the theory goes, they will deny their reliance interests real protection – if we do so now. But this is only a theory, and an unlikely one. Most foreign countries, including the Commonwealth countries, already grant us retroactivity. They will not change their laws to restrict protection of their reliance parties. Nor will the few important countries who presently do not retroactively protect U.S.

> works[.] When they do grant retroactivity they can decide what protection they will grant to their reliance interests. There is nothing to stop them from adopting the British et al buy-out provision.

Joint Hearings at 231; *see also id.* at 224 ("[T]here is absolutely no guarantee that they are stupid enough to adopt the reliance-party provisions you are being asked to adopt."). However, as detailed above, this was not the only evidence in the record regarding the potential effect of the United States' position on copyright restoration. Congress also heard testimony that if it wanted foreign countries to provide strong protections for American authors, Congress needed to provide like protections for foreign authors. *See id.* at 242 (testimony of Eric Smith) ("With us taking a strong and principled stand here in this country, we can leverage retroactive protection abroad. I almost entirely disagree with Mr. Karp on this point. I think the chances of us obtaining good retroactive protection is quite strong if we have this tool behind us.").

Although Congress was presented with evidence that its position on copyright restoration might not guarantee reciprocation, it does not follow that Section 514 is unconstitutional. "The Constitution gives to Congress the role of weighing conflicting evidence in the legislative process." *Turner II,* 520 U.S. at 199, 117 S.Ct. 1174. Thus, we must determine "whether, given conflicting views . . . , Congress had substantial evidence for making the judgment that it did." *Id.* at 208, 117 S.Ct. 1174. In other words, "[t]he question is

not whether Congress, as an objective matter, was correct to determine" that limited protections for reliance parties were "necessary" to garner similar protections from foreign countries. *See id.* at 211, 117 S.Ct. 1174. "Rather, the question is whether the legislative conclusion was reasonable and supported by substantial evidence in the record before Congress." *Id.*

> In making that determination, we are not to reweigh the evidence *de novo,* or to replace Congress' factual predictions with our own. Rather, we are simply to determine if the standard is satisfied. If it is, summary judgment for [the government] is appropriate regardless of whether the evidence is in conflict.

Id. (internal quotations and citations omitted).

Considering the deference that Congress is owed, particularly in areas of foreign relations, we conclude that Congress's judgments were supported by substantial evidence. The testimony before Congress indicated that the United States' historically lax position on copyright restoration had been an obstacle to the protection that the United States was seeking for its own copyright owners. Witnesses further testified that many countries would provide no greater protections to American authors than the United States gave to their foreign counterparts. There was also testimony that the chosen method of restoring foreign copyrights would have great weight in the international community and could induce other

countries to follow the United States' lead, although Congress heard some testimony that other countries would not necessarily follow the United States' approach. Consequently, Congress was presented with substantial evidence that Section 514 would advance the government's interest in protecting American copyright holders "in a direct and effective way." *See id.* at 213, 117 S.Ct. 1174 (quoting *Ward,* 491 U.S. at 800, 109 S.Ct. 2746). The United States' ability to protect American works abroad would be achieved less effectively absent Section 514, and therefore, the government's interest is genuinely advanced by restoring foreign copyrights with limited protections for reliance parties such as plaintiffs. *See Ward,* 491 U.S. at 799, 109 S.Ct. 2746.

B. Section 514 does not burden substantially more speech than necessary.

Under intermediate scrutiny, we must also determine whether Section 514 is narrowly tailored to further the government's interests. *See Ward,* 491 U.S. at 798, 109 S.Ct. 2746. "Content-neutral regulations do not pose the same inherent dangers to free expression that content-based regulations do," and therefore, the government has a degree of latitude in choosing how to further its asserted interest. *Turner II,* 520 U.S. at 213, 117 S.Ct. 1174 (quotations and citation omitted). Accordingly, "the [g]overnment may employ the means of its choosing so long as the regulation promotes a substantial governmental interest that would be achieved less effectively absent

the regulation and does not burden substantially more speech than is necessary to further that interest." *Id.* at 213-14, 117 S.Ct. 1174 (internal quotations, ellipses, and citation omitted). Further, the regulation need not be the least-restrictive alternative of advancing the government's interest. *Id.* at 217-18, 117 S.Ct. 1174.

1. Section 514 is narrowly tailored.

The "[g]overnment may not regulate expression in such a manner that a substantial portion of the burden on speech does not serve to advance its goals." *Ward,* 491 U.S. at 799, 109 S.Ct. 2746. "[T]he essence of narrow tailoring" is when a regulation "focuses on the source of the evils the [government] seeks to eliminate . . . without at the same time banning or significantly restricting a substantial quantity of speech that does not create the same evils." *Id.* at 799 n. 7, 109 S.Ct. 2746. That is, when "the burden imposed by [a regulation] is congruent to the benefits it affords," that regulation is narrowly tailored. *Turner II,* 520 U.S. at 215-16, 117 S.Ct. 1174.

In the case at bar, the burdens imposed on the reliance parties are congruent with the benefits Section 514 affords American copyright holders.[9] As

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[9] We note that copyright includes several "built-in" First Amendment protections. *Eldred,* 537 U.S. at 219-20, 123 S.Ct. 769. The idea/expression dichotomy ensures that only particular expressions, and not ideas themselves, are subject to copyright

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discussed above, the government has a substantial interest in securing protections for American works in foreign countries. Further, Congress heard testimony that the United States could expect foreign countries to provide only as much protection to American copyright holders as the United States would provide to foreign copyright holders, and other countries might follow the United States' example. In other words, the United States needed to impose the same burden on American reliance parties that it sought to impose on foreign reliance parties. Thus, the benefit that the government sought to provide to American authors is congruent with the burden that Section 514 imposes on reliance parties. The burdens on speech are therefore directly focused to the harms that the government sought to alleviate. "This is the essence of narrow tailoring." *Ward*, 491 U.S. at 799 n. 7, 109 S.Ct. 2746.

2. *Alternatives do not undermine the narrow tailoring of Section 514.*

Plaintiffs contend that "the Government could have complied with the Berne Convention while

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protection. *Id.* Additionally, the fair use defense allows individuals to use expressions contained in a copyrighted work under certain circumstances, including "criticism, comment, news reporting, teaching . . . scholarship, or research . . . and even for parody." *Id.* (quotations and citation omitted). Section 514 does not disturb these traditional, built-in protections, and thus, such protected speech remains unburdened.

providing significantly stronger protection for the First Amendment interests of reliance parties like the Plaintiffs here." Appellees' Br. at 30. According to plaintiffs, Article 18 of the Berne Convention provides considerable discretion that allows the government to provide greater protections for reliance parties. The government responds that the Berne Convention requires only transitional protections for reliance parties.

The parties' arguments about what the Berne Convention requires and permits are beside the point. As discussed above, the government's interest is not limited to compliance with the Berne Convention. Rather, its interest includes securing protections for American copyright owners in foreign countries, which includes providing copyright protection against foreign reliance parties. Thus, it is immaterial whether, as plaintiffs contend, the government could have complied with the minimal obligations of the Berne Convention and granted stronger protections for American reliance parties. If Congress had provided stronger protections to American reliance parties such as plaintiffs, many foreign countries may have provided similar protections for their own reliance parties, thereby providing less protection for American authors. Thus, even assuming for purposes of this appeal that the United States could have provided stronger protections for American reliance parties while complying with the minimum requirements of the Berne Convention, Section 514 does not

burden substantially more speech than necessary to further the government's interest.

Moreover, in concluding that Section 514 is not narrowly tailored, the district court and plaintiffs relied on other countries' approaches to implementing the Berne Convention, specifically, the United Kingdom model. However, we are not persuaded that the constitutionality of Section 514 is undermined by the availability of the United Kingdom model.

First, the "less restrictive-alternative analysis has never been a part of the inquiry into the validity of content-neutral regulations on speech." *Turner II*, 520 U.S. at 217, 117 S.Ct. 1174 (quotations and citation omitted). A statute must be "narrowly tailored to serve the government's legitimate, content-neutral interests," but it "need not be the least restrictive or least intrusive means of doing so." *Ward*, 491 U.S. at 798, 109 S.Ct. 2746. As long as the government does not burden substantially more speech than necessary to advance an important interest, we will not invalidate a statute simply because "the government's interest could be adequately served by some less-speech-restrictive alternative." *Id.* at 800, 109 S.Ct. 2746.

Second, to the extent that the United Kingdom model is relevant to our inquiry, it is not such an obvious and substantially less-speech-restrictive alternative that it undermines the validity of Section 514. Although not necessary to the intermediate

scrutiny analysis, the existence of less-speech-restrictive alternatives may be relevant to determining whether Section 514 is narrowly tailored. *See U.S. West, Inc. v. FCC,* 182 F.3d 1224, 1238 (10th Cir.1999) (analyzing government restriction on commercial speech under intermediate scrutiny). "'The availability of less burdensome alternatives to reach the stated goal signals that the fit between the legislature's ends and the means chosen to accomplish those ends may be too imprecise to withstand First Amendment scrutiny.' This is particularly true when such alternatives are obvious and restrict substantially less speech." *Id.* (quoting *44 Liquormart, Inc. v. Rhode Island,* 517 U.S. 484, 529, 116 S.Ct. 1495, 134 L.Ed.2d 711 (1996) (O'Connor, J., concurring)). We do not suggest that the existence of a less restrictive alternative is dispositive. *See Turner II,* 520 U.S. at 217-18, 117 S.Ct. 1174 (reaffirming that the presence of a less-restrictive alternative will not necessarily invalidate a regulation under intermediate scrutiny). "We merely recognize the reality that the existence of an obvious and substantially less restrictive means for advancing the desired government objective [may] indicate[ ] a lack of narrow tailoring." *U.S. West,* 182 F.3d at 1238 n. 11.

With this in mind, we turn to plaintiffs' suggestion that there were less restrictive means of restoring foreign copyrights.[10] Although no country has

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[10] We note that plaintiffs do not argue – and there is no indication in the record – that the United States could have

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provided full, permanent exemptions for reliance parties, other countries have provided limited protections for reliance parties. The chief alternative discussed by plaintiffs and the district court is the United Kingdom model. *See Golan,* 611 F.Supp.2d at 1174 ("Several member nations – including Germany, Hungary, the United Kingdom, Australia, and New Zealand – provide accommodations that are temporally permanent so long as certain conditions are met."); Appellees' Br. at 34 ("The provisions implemented by the United Kingdom and a dozen other signatories confirm what the text of Berne makes clear: permanent protection of reliance interests is permissible."). However, the United Kingdom model is not an obvious and substantially less restrictive alternative.

Under the United Kingdom model, a "reliance party is allowed to continue making those uses of the work it had made, or incurred commitments to make, before its copyright is restored. But the reliance party can be 'bought out' by the owner of the restored copyright." Irwin Karp, *Final Report, Berne Article 18 Study on Retroactive United States Copyright Protection for Berne and Other Works,* 20 Colum.-VLA J.L. & Arts 157, 180 (1996). Thus, copyright owners can "'buy back' their rights immediately after the entry into force of the law restoring copyright; and thus,

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provided strong protections for American reliance parties and obtained strong protections for American copyright holders. To the contrary, the evidence before Congress suggested that other countries had resisted such one-sided arrangements.

there is no 'grace period'" similar to Section 514. Appellant's App., Vol. I at 159.

The United Kingdom model is not substantially less restrictive of speech than Section 514 of the URAA. In the United Kingdom, a copyright owner cannot enforce the copyright against a reliance party unless the owner "buys out" the reliance party. Under Section 514, a copyright owner cannot enforce the copyright against a reliance party unless the owner files notice with the Copyright Office or serves notice on a reliance party. 17 U.S.C. § 104A(d)(2). Moreover, under Section 514, reliance parties have twelve months to continue exploiting the works, although they cannot continue to make copies of the restored work. *Id.* § 104A(d)(2)(A)(ii)(III), (d)(2)(B)(ii)(III). Under the United Kingdom model, however, the reliance party's interests are immediately terminated upon buy-out. Thus, under both systems, reliance parties receive qualified protection insofar as a reliance party can continue to exploit a work until the copyright owner does something: either buy out the reliance party (United Kingdom model) or file notice (Section 514). Ultimately, both approaches provide the copyright owner with the ability to terminate the reliance party's interests. The only significant difference is that under the United Kingdom model, the reliance party receives compensation from the owner, while under Section 514, the reliance party has a twelve month grace period to continue exploiting the work.

Further, the United Kingdom model is not far more protective of speech interests of reliance parties who have created derivative works, such as the late plaintiff Kapp. Section 514 allows these reliance parties to continue to use a derivative work as long as they pay "reasonable compensation" to the copyright owner. *See* 17 U.S.C. § 104A(d)(3)(A). The United Kingdom model, on the other hand, apparently provides no such protection for creators of derivative works. In a sense, the two models are mirror images of each other. Under Section 514, a reliance party can continue to exploit a derivative work as long as he pays compensation to the owner of the original copyright. In the United Kingdom, an author of a derivative work can continue to exploit the new work until the owner pays compensation to the reliance party.

We cannot say that one approach is clearly more protective of speech interests than the other. Although the United Kingdom model is arguably more protective of reliance parties' *economic* interests, we cannot say that it is substantially more protective of reliance parties' *expressive* interests. Moreover, even if the United Kingdom model is marginally more protective of speech interests,

> when evaluating a content-neutral regulation which incidentally burdens speech, we will not invalidate the preferred remedial scheme because some alternative solution is marginally less intrusive on a speaker's First Amendment interests. So long as the means chosen are not substantially broader than

> necessary to achieve the government's interest, the regulation will not be invalid simply because a court concludes that the government's interest could be adequately served by some less-speech-restrictive alternative.

Turner II, 520 U.S. at 217-18, 117 S.Ct. 1174 (internal citations, quotations, and ellipses omitted).

At its core, plaintiffs' challenge to Section 514 "reflect[s] little more than disagreement over the level of protection" that reliance parties should receive. *See id.* at 224, 117 S.Ct. 1174. Congress sought to balance the interests between American copyright holders and American reliance parties. In so doing, Congress crafted a nuanced statute that offered some protections for both of these competing interests. It is not our role to opine on the best method of striking this balance. A statute's "validity does not turn on a [court's] agreement with the responsible decisionmaker concerning the most appropriate method for promoting significant government interests." *Id.* at 218, 117 S.Ct. 1174 (quotations and citation omitted). Plaintiffs may have preferred a different method of restoring copyrights in foreign works, but that is not what the Constitution requires; as long as the government has not burdened substantially more speech than necessary to further an important interest, the First Amendment does not permit us to second guess Congress's legislative choice. "We cannot displace Congress' judgment respecting content-neutral regulations with our own, so long as its policy is grounded on reasonable factual findings supported by evidence

that is substantial for a legislative determination." *Id.* at 224, 117 S.Ct. 1174.

We conclude that because Section 514 advances a substantial government interest, and it does not burden substantially more speech than necessary to advance that interest, it is consistent with the First Amendment. Accordingly, the district court erred in ruling that Section 514 violates plaintiffs' freedom of expression.

IV. Plaintiffs' Cross-Appeal (No. 09-1261)

Plaintiffs have cross-appealed, arguing that Section 514 is unconstitutional on its face. More specifically, "[p]laintiffs contend that removing works from the public domain of copyright (as distinct from patents) is an illegitimate means regardless of the end or the importance of the interest." Appellee's Br. at 56 (emphasis omitted). Facial challenges to statutes are generally disfavored as "[f]acial invalidation is, manifestly, strong medicine that has been employed by the [Supreme] Court sparingly and only as a last resort." *Nat'l Endowment for the Arts v. Finley*, 524 U.S. 569, 580, 118 S.Ct. 2168, 141 L.Ed.2d 500 (1998) (quotations and citation omitted). As such, plaintiffs bear a "heavy burden" in raising a facial constitutional challenge. *See id.* (quotations omitted). They have not met this burden, as their arguments on appeal are largely foreclosed by our conclusion that Section 514 does not violate their freedom of expression, as well as by our previous decision in

Golan I, which we are not free to revisit, as law of the case, *see McIlravy v. Kerr-McGee Coal Corp.*, 204 F.3d 1031, 1034 (10th Cir.2000) ("The law of the case doctrine posits that when a court decides upon a rule of law, that decision should continue to govern the same issues in subsequent stages in the same case." (quotations, alterations, and citations omitted)).

Plaintiffs assert that "there must be a 'bright line' drawn around the public domain. . . ." Appellees' Reply Br. at 6-7. But in *Golan I,* we rejected plaintiffs' argument "that, in the context of copyright, the public domain is a threshold that Congress may not traverse in both directions." *Golan I,* 501 F.3d at 1187 (quotation omitted). We stated that

> [t]he clear import of *Eldred* is that Congress has expansive powers when it legislates under the Copyright Clause, and this court may not interfere so long as Congress has rationally exercised its authority. Here, we do not believe that the decision to comply with the Berne Convention, which secures copyright protections for American works abroad, is so irrational or so unrelated to the aims of the Copyright Clause that it exceeds the reach of congressional power.

Id. (internal citation omitted). We held that Section 514 was within Congress's Article I powers, and therefore, Congress had the authority to extend copyright to works that were in the public domain. *See id.*

Of course, while Congress may have the authority under Article I to enact Section 514, it "must still comport with other express limitations of the Constitution." *Id.* Plaintiffs have cast their facial challenge to Section 514 in terms of "the First Amendment, the contours of which may be informed by the Progress [or Copyright] Clause." Appellees' Br. at 53. However, plaintiffs have provided no legal support for their claim that the First Amendment – either by itself or informed by any other provision of the Constitution – draws such absolute, bright lines around the public domain, and we are aware of no such authority.

Plaintiffs' only legal authority is *Bolling v. Sharpe,* 347 U.S. 497, 74 S.Ct. 693, 98 L.Ed. 884 (1954), but their reliance on *Bolling* is without merit. In *Bolling,* the Supreme Court announced that "[s]egregation in public education [wa]s not reasonably related to any proper governmental objective" and held "that racial segregation in the public schools of the District of Columbia [wa]s a denial of the due process of law guaranteed by the Fifth Amendment to the Constitution." *Id.* at 500. The Due Process analysis in *Bolling* does not inform plaintiffs' argument that the First Amendment makes the public domain of copyright absolutely inviolable. Instead, the First Amendment places the same restrictions on copyright restoration under Section 514 that it imposes on all other content-neutral regulations of speech. *See Golan I,* 501 F.3d at 1196.

In sum, Congress acted within its authority under the Copyright Clause in enacting Section 514.

See id. at 1187. Further, Section 514 does not violate plaintiffs' freedom of speech under the First Amendment because it advances an important governmental interest, and it is not substantially broader than necessary to advance that interest. Accordingly, we **REVERSE** the judgment of the district court and **REMAND** with instructions to grant summary judgment in favor of the government.[11]

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[11] Because we conclude that Section 514 does not violate plaintiffs' freedom of expression under the First Amendment, they are not entitled to injunctive relief.

611 F.Supp.2d 1165

United States District Court,
D. Colorado.

Lawrence GOLAN; Estate of Richard Kapp; S.A. Publishing Co., Inc., d/b/a ESS.A.Y. Recordings; Symphony of the Canyons; Ron Hall, d/b/a Festival Films; and John McDonough, d/b/a Timeless Video Alternatives International, Plaintiffs,

v.

Eric H. HOLDER, Jr., in his official capacity as Attorney General of the United States; and Marybeth Peters, in her official capacity as Register of Copyrights, Copyright Office of the United States, Defendants.

Civil Case No. 01-cv-01854-LTB.

April 3, 2009.

Carolyn J. Fairless, Hugh Gottschalk, Wheeler Trigg Kennedy, LLP, Denver, CO, Colette Vogele, Anthony T. Falzone, Stanford Law School, Stanford, CA, Edward Lee, Moritz College of Law, Columbus, OH, for Plaintiffs.

Christopher R. Hall, Joshua Z. Rabinovitz, U.S. Department of Justice, Washington, DC, Thomas Louis Kanan, McElroy, Deutsch, Mulvaney & Carpenter, LLP, Denver, CO, for Defendants.

Holly Gaudreau, Theodore T. Herhold, Townsend and Townsend and Crew, LLP, San Francisco, CA, Christopher J. Sprigman, Jennifer S. Granick, Stanford Law School, Stanford, CA, for Plaintiffs/Defendants.

MEMORANDUM OPINION AND ORDER

BABCOCK, District Judge.

This case – as now presented – concerns the validity of Section 514 of the Uruguay Round Agreements Act ("URAA"), 17 U.S.C. § 104A. Section 514 restores the United States copyrights of foreign authors who lost those rights to the public domain for any reason other than the expiration of a copyright term. Plaintiffs filed this suit in September 2001, asserting claims challenging Section 514 – as well as the Copyright Term Extension Act of 1998 – under the Copyright Clause and the First Amendment. This Court granted summary judgment in favor of the Government or dismissal as to each of those claims. [**Docket 28, 109**]. On appeal, the Tenth Circuit affirmed this Court's rulings as to Plaintiffs' Copyright Term Extension Act claims and Plaintiffs' Copyright Clause claims, but reversed this Court's rulings as to Plaintiff's First Amendment challenge to Section 514. *See Golan v. Gonzales,* 501 F.3d 1179 (10th Cir.2007). The Tenth Circuit remanded to this Court with instructions to assess whether Section 514 – which the Tenth Circuit determined interfered with Plaintiffs' "First Amendment interest in using works in the public domain" – passed First Amendment scrutiny. The parties have filed cross-motions for summary judgment on this issue [**Docket 147, 148**] as well as responses/replies [**Docket 154, 155**]. An *amicus* brief was filed in support of the Government [**Docket # 152**]. The motions are adequately briefed and oral argument would not materially assist their

determination. After consideration of the motions, the papers, and the case file, and for the reasons stated below, I GRANT Plaintiffs' motion [**Docket # 148**] and DENY the Government's motion [**Docket # 147**].

I. BACKGROUND

Plaintiffs in this case represent a broad range of artisans and businesses that rely upon works in the public domain for their trade. As relevant to the issue presented here, these works were produced by foreign authors and, for varying reasons – including the authors' failure to renew the copyrights with the Copyright Office, or failure to include a notice of copyright on the copyrighted works – did not enjoy copyright protection in the United States prior to the enactment of the URAA in 1994. Section 514 of the URAA ostensibly implements Article 18 of the Berne Convention for the Protection of Literary and Artistic Works – an international treaty first enacted in 1886, but not joined by the United States until 1988. Article 18 requires member nations to provide copyright protection to works by foreign authors so long as the term of copyright protection in the country of origin has not expired as to a specific work. *See* Berne Convention, Art. 18. Section 514 of the URAA – by granting copyright protection to these foreign authors – removed from the public domain the works upon which Plaintiffs relied. As the subject works are now protected by United States copyright laws, Plaintiffs find themselves in the position of having to either pay for their previously royalty-free use, or cease using

the works altogether. Plaintiffs argue their First Amendment rights were violated by Congress when these works were removed from the public domain.

On April 20, 2005, 2005 WL 914754, I granted summary judgment to the Government on Plaintiffs' First Amendment claims, holding: "I see no need to expand upon the settled rule that private censorship via copyright enforcement does not implicate First Amendment concerns." [**Docket # 109**]. On appeal, the Tenth Circuit reversed, holding: "since § 514 has altered the traditional contours of copyright protection in a manner that implicates plaintiffs' right to free expression, it must be subject to First Amendment review." *Golan,* 501 F.3d at 1197.

II. TENTH CIRCUIT OPINION

The Tenth Circuit began its review with an outline of basic principles of copyright law and how those principles interconnect with the First Amendment:

> Under the Copyright Clause, Congress may "promote the Progress of Science and useful Arts, by securing for limited Times to Authors . . . the exclusive Right to their [respective] Writings." U.S. CONST. art. I, § 8, cl. 8. . . . "[O]nce the . . . copyright monopoly has expired, the public may use the . . . work at will and without attribution." *Dastar Corp. v. Twentieth Century Fox Film Corp.,* 539 U.S. 23, 33-34, 123 S.Ct. 2041, 156 L.Ed.2d 18 (2003). These imaginative works inspire new

creations, which in turn inspire others, hopefully, *ad infinitum*. This cycle is what makes copyright "the engine of free expression." *Harper & Row Publishers, Inc. v. Nation Enters.*, 471 U.S. 539, 558, 105 S.Ct. 2218, 85 L.Ed.2d 588 (1985).

Congress's power to bestow copyrights is broad. *See Eldred* [*v. Ashcroft*], 537 U.S. [186] at 205, 123 S.Ct. 769 [154 L.Ed.2d 683 (2003)] ("[I]t is Congress that has been assigned the task of defining the scope of the limited monopoly that should be granted to authors . . . in order to give the public appropriate access to their work product.") (internal quotation marks omitted). But it is not boundless. . . . The Supreme Court has recognized that the First Amendment can limit Congress's power under the Copyright Clause. *Eldred,* 537 U.S. at 219-21, 123 S.Ct. 769 (indicating that copyright acts are not "categorically immune from challenges under the First Amendment") (internal quotation marks omitted). The Court has emphasized, however, that "copyright's built-in First Amendment accommodations" – the idea/expression dichotomy and the fair use defense – generally protect the public's First Amendment interest in copyrighted works. *Id.* at 219-20, 123 S.Ct. 769.

Although these built-in free speech safeguards will ordinarily insulate legislation from First Amendment review, the *Eldred* Court indicated that such review is warranted when an act of Congress has "altered the

> traditional contours of copyright protection." *Id.* at 221, 123 S.Ct. 769. The Court did not define the "traditional contours of copyright protection." However, as we discuss in detail below, one of these traditional contours is the principle that once a work enters the public domain, no individual – not even the creator – may copyright it.

Golan, 501 F.3d at 1183-84.

In reaching its conclusion that Section 514 – by removing works from the public domain – "altered the traditional contours of copyright protection," the court first noted "the bedrock principle of copyright law that works in the public domain remain there." *See Golan*, 501 F.3d at 1187. Indeed, the primary purpose of the Copyright Clause is to incentivize authors to produce works to benefit the public good. *See id.* at 1188. Once a work is created, a copyright attaches that allows the author to restrict the use of the work for the duration of the copyright period – at which point the work enters the public domain for the free use of anyone. *See id.* at 1189. This incentive drives "the engine of free expression" enshrined in the First Amendment. *See id.* at 1188.

Section 514 altered the traditional copyright scheme such that "the copyright sequence no longer necessarily ends with the public domain: indeed, it may begin there." *See id.* at 1189. Such an alteration is inconsistent with the copyright scheme as designed by the Framers and as implemented by Congress in the ensuing years. *See id.* at 1190-92. Accordingly,

"[Section] 514 deviates from the time-honored tradition of allowing works in the public domain to stay there." *Id.* at 1192.

Having established that Section 514 "altered the traditional contours of copyright protection" – therefore requiring First Amendment review, *see Eldred v. Ashcroft*, 537 U.S. 186, 221, 123 S.Ct. 769, 154 L.Ed.2d 683 (2003) – the Tenth Circuit turned to the question of how the alteration affected the First Amendment rights of Plaintiffs. The court first noted that Plaintiffs had, subject to constitutionally permissible restraints, a non-exclusive right to "unrestrained artistic use of these works" that was protected by the First Amendment. *See Golan*, 501 F.3d at 1193. Section 514 interfered with this right by making the cost of using the works prohibitive. *See id.* Distinguishing Plaintiffs' case from that at issue in *Eldred*, the court noted that the *Eldred* plaintiffs did not have a right to copy the works at issue. *See id.* ("As the *Eldred* Court observed, the most the *Eldred* plaintiffs could show was a weak interest in 'making other people's speeches.' By contrast, the speech at issue here belonged to plaintiffs when it entered the public domain."). The court concluded "that once the works at issue became free for anyone to copy, plaintiffs in this case had vested First Amendment interests in the expressions, and § 514's interference with plaintiff's rights is subject to First Amendment scrutiny." *Id.* at 1194.

Finally, the Tenth Circuit considered whether "copyright's built-in First Amendment accommodations" – the idea/expression dichotomy and the fair use defense – were, when combined with the additional protections explicitly included in Section 514, adequate to protect Plaintiffs' First Amendment interests. Addressing the idea/expression dichotomy, the court found the rule to be inapplicable to Plaintiffs' case because Plaintiffs' interest was in the expressions themselves, not merely the underlying ideas. *See id.* at 1194. Addressing the fair use doctrine, the court found the doctrine to be an insufficient substitute for the unlimited use allowed once a work was in the public domain. *See id.* at 1195. The court then held Section 514's "supplemental protections" – which include a one-year safe harbor provision and a provision allowing the continued use of derivative works, if a reasonable royalty is paid – inadequate to insulate Section 514 from a First Amendment challenge. *See id.* at 1196; *see also Eldred,* 537 U.S. at 221, 123 S.Ct. 769. The court remanded with instructions to apply a First Amendment analysis.

III. STANDARD OF REVIEW

A. First Amendment Review

As mandated by the Tenth Circuit, the initial inquiry in my First Amendment analysis is "whether § 514 is content-based or content-neutral." *See Golan,* 501 F.3d at 1196. Content-based restrictions on

speech are those which "suppress, disadvantage, or impose differential burdens upon speech because of its content." *Grace United Methodist Church v. City of Cheyenne,* 451 F.3d 643, 657 (10th Cir.2006) (internal citations and quotations omitted). These restrictions "are subject to the most exacting scrutiny." *See id.* If Section 514 is a content-based restriction, I must consider whether the Government's interest in promulgating the restriction is truly "compelling" and whether the Government might achieve the same ends through alternative means that have less of an effect on protected expression. *See United States v. Playboy Entm't Group, Inc.,* 529 U.S. 803, 813, 120 S.Ct. 1878, 146 L.Ed.2d 865 (2000). By contrast, "[a] regulation that serves purposes unrelated to the content of expression is deemed neutral, even if it has an incidental effect on some speakers or messages but not others." *Ward v. Rock Against Racism,* 491 U.S. 781, 791, 109 S.Ct. 2746, 105 L.Ed.2d 661 (1989). A content-neutral restriction must be "narrowly tailored to serve a significant governmental interest." *Id.* (quoting *Clark v. Cmty. for Creative Non-Violence,* 468 U.S. 288, 293, 104 S.Ct. 3065, 82 L.Ed.2d 221 (1984)).

The parties both argue Section 514 is content-neutral. I agree. A restriction will be considered content-neutral when it can be justified without reference to the content of the speech restricted. *See Boos v. Barry,* 485 U.S. 312, 320, 108 S.Ct. 1157, 99 L.Ed.2d 333 (1988) (citing *City of Renton v. Playtime Theatres, Inc.,* 475 U.S. 41, 48, 106 S.Ct. 925, 89 L.Ed.2d 29 (1986); *Virginia State Bd. of Pharmacy v.*

Virginia Citizens Consumer Council, Inc., 425 U.S. 748, 771, 96 S.Ct. 1817, 48 L.Ed.2d 346 (1976)). Here, the speech restricted is a general category of speech – namely, speech created by foreign authors. The justification for the restriction lies in the protection of the authors' interests in the expressions themselves, not the ideas the works encompass. Accordingly, Section 514 must be reviewed under the "content-neutral" standard. *See Turner Broad. Sys., Inc. v. F.C.C.*, 512 U.S. 622, 643, 114 S.Ct. 2445, 129 L.Ed.2d 497 (1994) ("*Turner I*").

"A content-neutral regulation [of speech] will be sustained under the First Amendment if it advances important governmental interests unrelated to the suppression of free speech and does not burden substantially more speech than necessary to further those interests." *Turner Broad. Sys., Inc. v. F.C.C.*, 520 U.S. 180, 189, 117 S.Ct. 1174, 137 L.Ed.2d 369 (1997) ("*Turner II*"). While a content-neutral restriction must be "narrowly tailored to serve a significant government interest" unrelated to the suppression of free speech, it "need not be the least restrictive or least intrusive means of doing so." *See Ward*, 491 U.S. at 791, 798, 109 S.Ct. 2746. The requirement of narrow tailoring is satisfied so long as the restriction promotes a substantial government interest that would be achieved less effectively absent the restriction. *See id.* at 798-99, 109 S.Ct. 2746.

Review of Congress's judgment is deferential; the only relevant question is whether, in formulating its judgment, Congress has drawn reasonable inferences

based on substantial evidence. *See Turner II,* 520 U.S. at 195, 117 S.Ct. 1174. "So long as the means chosen are not substantially broader than necessary to achieve the government's interest," the restriction will not be invalid simply because "the government's interest could be adequately served by some less-speech-restrictive alternative." *Ward,* 491 U.S. at 800, 109 S.Ct. 2746.

When determining whether a regulation of speech is "substantially broader than necessary to achieve the government's interest," the Court asks whether the regulation suppresses a substantial amount of protected speech judged in relation to the Government's legitimate interest. *See Virginia v. Hicks,* 539 U.S. 113, 118-19, 122-23, 123 S.Ct. 2191, 156 L.Ed.2d 148 (2003). This requires a balancing of Plaintiffs' interests with those of the Government. *See United States v. Williams,* ___ U.S. ___, 128 S.Ct. 1830, 1838, 170 L.Ed.2d 650 (2008). The first step is to construe the challenged statute to determine the scope of the speech the statute affects. *See id.* The second step is to determine the scope of protected expressive activity necessarily suppressed by the statute's terms. *See id.* at 1841. If the statute "leaves unprotected a substantial amount of speech not tied to the Government's interest . . . it is overbroad and unconstitutional." *Ashcroft v. Free Speech Coalition,* 535 U.S. 234, 256, 122 S.Ct. 1389, 152 L.Ed.2d 403 (2002).

B. Summary Judgment

In a motion for summary judgment, the moving party "always bears the initial responsibility of informing the district court of the basis for its motion, and identifying those portions of 'the pleadings, depositions, answers to interrogatories, and admissions on file, together with the affidavits, if any,' which it believes demonstrate the absence of a genuine issue of material fact." *Celotex Corp. v. Catrett,* 477 U.S. 317, 323, 106 S.Ct. 2548, 91 L.Ed.2d 265 (1986) (quoting FED.R.CIV.P. 56(c)). If this burden is met, then the non-moving party has the burden of showing there are genuine issues of material fact to be determined. *See id.* at 322, 106 S.Ct. 2548. It is not enough that the evidence be merely colorable; the non-moving party must come forward with specific facts showing a genuine issue remains. *See id.*; *Matsushita Elec. Indus. Co., Ltd. v. Zenith Radio Corp.,* 475 U.S. 574, 587, 106 S.Ct. 1348, 89 L.Ed.2d 538 (1986). A fact is material if it might affect the outcome of the suit under the governing substantive law. *Anderson v. Liberty Lobby, Inc.,* 477 U.S. 242, 255, 106 S.Ct. 2505, 91 L.Ed.2d 202 (1986). I shall grant summary judgment, therefore, only if the pleadings, depositions, answers to interrogatories, admissions, or affidavits-construed viewing the evidence in the light most favorable to the non-moving party and drawing all reasonable inferences in that party's favor – show there is no genuine issue of material fact and the moving party is entitled to judgment as a matter of law. *Mares v. ConAgra*

Poultry Co., Inc., 971 F.2d 492, 494 (10th Cir.1992); *Lucas v. Mountain States Tel. & Tel.*, 909 F.2d 419, 420 (10th Cir.1990); FED.R.CIV.P. 56(c).

In a motion for summary judgment, I view the evidence "through the prism of the substantive evidentiary burden." *Liberty Lobby, supra*, 477 U.S. at 254, 106 S.Ct. 2505. The inquiry is based on "the quality and quantity of evidence required by the governing law" and "the criteria governing what evidence would enable the jury to find for either the plaintiff or the defendant." *Id.* Where – as here – the parties file cross-motions for summary judgment, I am entitled to assume that no evidence needs to be considered other than that filed by the parties. *See Atlantic Richfield Co. v. Farm Credit Bank of Wichita*, 226 F.3d 1138, 1148 (10th Cir.2000). Nonetheless – as cross-motions for summary judgment are to be treated separately – the denial of one does not necessarily require the grant of the other. *See id.*

Although this case is presented in the light of summary judgment, the Court must still accord substantial deference to the predictive judgment of Congress. *See Turner I*, 512 U.S. at 666, 114 S.Ct. 2445. In this context, the question is whether Congress based its decision on reasonable inferences and substantial evidence. *See id.* As long as there is no material dispute that there is substantial evidence from which Congress could have drawn a reasonable inference, then the government is entitled to summary judgment even if the evidence could reasonably lead to an inconsistent conclusion. *See Turner II*, 520

U.S. at 196, 117 S.Ct. 1174. If, however, Plaintiffs show the Government is unable to proffer such evidence, Plaintiffs are entitled to summary judgment. *See Edenfield v. Fane*, 507 U.S. 761, 770-71, 113 S.Ct. 1792, 123 L.Ed.2d 543 (1993); *Sable Commc'ns of California, Inc. v. F.C.C.*, 492 U.S. 115, 129-30, 109 S.Ct. 2829, 106 L.Ed.2d 93 (1989).

IV. ANALYSIS

The burden is on the Government to show it has a significant interest that is protected by limiting Plaintiffs' speech and that Section 514 does not burden substantially more speech than necessary to further the Government's interest. *See Turner I*, 512 U.S. at 664-65, 114 S.Ct. 2445. The Government proffers three interests allegedly served by Section 514: (1) Section 514 brings the United States into substantial compliance with its international treaty obligations under the Berne Convention; (2) Section 514 helps protect the copyright interests of United States authors abroad; and (3) Section 514 corrects for historic inequities wrought on foreign authors who lost their United States copyrights through no fault of their own.

A. Compliance with the Berne Convention

It is not disputed that the Berne Convention requires the restoration of copyrights to foreign authors. While compliance with international treaty obligations represents an important governmental

interest, "[a]t the same time, it is well established that 'no agreement with a foreign nation can confer power on the Congress, or on any other branch of Government, which is free from the restraints of the Constitution.'" *Boos,* 485 U.S. at 324, 108 S.Ct. 1157 (quoting *Reid v. Covert,* 354 U.S. 1, 16, 77 S.Ct. 1222, 1 L.Ed.2d 1148 (1957)); *see Gonzales v. O Centro Espirita Beneficente Uniao do Vegetal,* 546 U.S. 418, 438, 126 S.Ct. 1211, 163 L.Ed.2d 1017 (2006). Accordingly, I must ask whether Section 514 meets the requirements of the Berne Convention in a manner that is not "substantially broader that necessary to achieve the government's interest." *See Ward,* 491 U.S. at 800, 109 S.Ct. 2746. In determining whether Section 514 is "substantially broader than necessary," I must balance the Government's interest against that of Plaintiffs. *See Williams,* 128 S.Ct. at 1838.

As noted by the Tenth Circuit, Section 514 was inconsistent with the United States copyright scheme as designed by the Framers and as implemented by Congress in the ensuing years. *See Golan,* 501 F.3d at 1190-92. Moreover, Section 514 interfered with Plaintiffs' vested First Amendment rights to unrestrained use of the restored works. *See id.* at 1193-94. The Government argues under *Eldred* that Plaintiffs have a diminished interest in the restored works because Plaintiffs were not the original authors. *See Eldred,* 537 U.S. at 221, 123 S.Ct. 769 ("The First Amendment securely protects the freedom to make – or decline to make – one's own speech; it bears less heavily when speakers assert the right to make other

people's speeches."). The Tenth Circuit, however, was not persuaded by this argument and distinguished Plaintiffs' case from that at issue in *Eldred*, holding: "plaintiffs' First Amendment interests in public domain works are greater than the interests of the *Eldred* plaintiffs. The *Eldred* plaintiffs did not – nor had they ever – possessed unfettered access to any of the works at issue there. . . . By contrast, the speech at issue here belonged to plaintiffs when it entered the public domain." *See Golan*, 501 F.3d at 1193. Unlike the plaintiffs in *Eldred*, therefore, Plaintiffs here did not have an amorphous and prospective "trivial interest" in property that belonged to someone else, but instead had "vested First Amendment interests in the expressions" contained in the works themselves. *See id.* at 1188, 1194. The Tenth Circuit considered Plaintiffs' interests "near the core of the First Amendment." *See id.* at 1193. The impact of removing the restored works without accommodating Plaintiff's reliance interests is substantial. *See Golan*, 501 F.3d at 1182 (noting the added expense to Plaintiffs of complying with Section 514 made the exercise of their First Amendment rights costs prohibitive). Accordingly, I do not find the Government's argument persuasive and conclude Plaintiffs' interests in copying the works at issue is deserving of full First Amendment protection.

Having determined the scope of the Government's interest and Plaintiffs' interest, I now turn to the question whether Section 514 "leaves unprotected a substantial amount of speech not tied to the

Government's interest." *See Ashcroft,* 535 U.S. at 256, 122 S.Ct. 1389. As noted by the Government, Plaintiffs' First Amendment speech is not entirely unprotected under Section 514. Plaintiffs – in addition to the protections afforded under the "traditional contours of copyright protection" – are immunized from liability for acts of copying occurring before restoration and are entitled to continue copying so long as the original author does not file notice of intent to enforce his or her copyrights. Plaintiffs are also entitled to sell or otherwise use copies of restored works for one year, and may continue to exploit derivative works forever, so long as a reasonable royalty is paid. What speech remains unprotected under Section 514, therefore, is any speech that involves copying more than one year after notice has been filed, and any derivative works made after notice is filed and without payment of a royalty. When compared to the limited amount of speech that remains protected under Section 514, other than speech already protected by the idea/expression dichotomy and the fair use doctrine-speech that the Government concedes cannot be limited by its interest in complying with the Berne Convention – the amount unprotected is clearly "a substantial amount." *See Ashcroft,* 535 U.S. at 256, 122 S.Ct. 1389. I therefore ask whether the unprotected speech is "not tied to the Government's interest" in complying with the Berne Convention. *See id.*

I begin by noting that the Berne Convention does not provide any direct reference to the question at

issue here: whether or how member nations should accommodate "reliance parties" – namely, those persons with a vested interest in previously public-domain works – once the affected works are removed from the public domain and placed into the domain of copyright protection. To the extent Berne addresses this issue at all, the determination is left to the member nations: "respective countries shall determine, each in so far as it is concerned, the conditions of application of this principle." *See* Berne Convention, Art. 18(3).

I read Article 18, Section 3, as a grant of discretion to member nations to implement the Berne Convention's directive – that the copyrights of foreign authors be restored so long as the term of copyright protection in the country of origin has not expired – in light of each member nation's established corpus of copyright law. Such discretion is not limited by Article 18, Section 3, so long as the directive is applied within the bounds of existing law. *See* Ficsor Report, Part E [**Docket # 147-4**]. In the United States, for example, it is not disputed that the restored copyrights must still be subject to the well-established First Amendment exceptions afforded by the fair-use doctrine and the idea/expression dichotomy. *See Golan,* 501 F.3d at 1194-95.

While the Government proffers an expert opinion stating that Article 18, Section 3, requires such accommodations be temporary in nature – *see* Ficsor Report, Part E [**Docket # 147-4**] – nothing in the Berne Convention indicates this is necessarily the

case. Several member nations – including Germany, Hungary, the United Kingdom, Australia, and New Zealand – provide accommodations that are temporally permanent so long as certain conditions are met. *See* Ficsor Report, Part F [**Docket # 147-4**]. While these member nations imposed various schemes limiting the rights of reliance parties, none of these nations restored copyrights in the subject works in a manner that was equivalent – either in force or in time – to copyrights in those works that had not fallen into the public domain. *See* Ficsor Report, Part F [**Docket # 147-4**].

Congress itself – by affording reliance parties certain protections in Section 514 that went beyond those normally required to accommodate copyright law and First Amendment concerns – implicitly recognized that Article 18, Section 3, does not require the full restoration of equivalent copyrights. *See* 17 U.S.C. § 104A(d). Some of these protections – such as allowing reliance parties to use restored works for an unlimited period of time if the author fails to file a notice of intent to enforce his copyright, and allowing reliance parties to use derivative works for so long as a reasonable royalty is paid to the original author – are temporally permanent in nature. Although, as noted by the Tenth Circuit, none of these provisions are adequate to fully protect Plaintiffs' First Amendment interests, they provide some protection beyond that which a normal copyright would allow. *See Golan,* 501 F.3d at 1193-94. By enacting such protections, Congress demonstrated it understood the broad

latitude provided member nations to protect reliance parties – even for an unlimited amount of time.

In light of the discretion afforded it by Article 18, Section 3, Congress could have complied with the Berne Convention without interfering with a substantial amount of protected speech – for example, by permanently "excepting parties, such as plaintiffs, who have relied upon works in the public domain," *see Golan,* 501 F.3d at 1196; *see also* Ridder Dec. Ex. A [**Docket # 150-9**]. Accordingly – to the extent Section 514 suppresses the right of reliance parties to use works they exploited while the works were in the public domain – Section 514 is "not tied to the Government's interest" in complying with the Berne Convention. *See Ashcroft,* 535 U.S. at 256, 122 S.Ct. 1389. Section 514 is therefore "substantially broader than necessary to achieve the government's interest." *See Ward,* 491 U.S. at 800, 109 S.Ct. 2746. Resolution of this question of law shows summary judgment in favor of Plaintiffs and against the Government is appropriate on this issue. *See Mares,* 971 F.2d at 494; FED.R.CIV.P. 56(c).

B. Protection of United States Authors' Copyrights Abroad

Although the Government argues Section 514 serves the additional important Government interest of protecting the copyrights of United States authors abroad, this justification is largely intertwined with its argument regarding compliance with Article 18 of

the Berne Convention – a justification which has been rejected as insufficient to justify the infringement of Plaintiffs' First Amendment rights above. It is unnecessary to readdress these concerns here.

In addition to Article 18, however, the Government also argues Section 514 is necessary to protect United States authors from reprisal under Article 6. Article 6 states:

> Where any country outside the Union fails to protect in an adequate manner the works of authors who are nationals of one of the countries of the Union, the latter country may restrict the protection given to the works of authors who are, at the date of the first publication thereof, nationals of the other country and are not habitually resident in one of the countries of the Union. If the country of first publication avails itself of this right, the other countries of the Union shall not be required to grant to works thus subjected to special treatment a wider protection than that granted to them in the country of first publication.

By its own terms, Article 6 allows sanctions only against a "country *outside the Union* [that] fails to protect in an adequate manner the works of authors who are nationals of one of the countries of the Union." (emphasis added). As the United States is "one of the countries of the Union," Article 6 provides no basis for sanctions to be levied against United States authors. Accordingly, compliance with Article 6 cannot provide an important Government interest. *See*

Turner I, 512 U.S. at 664, 114 S.Ct. 2445 ("when the Government defends a regulation on speech as a means to . . . prevent anticipated harms, it must . . . demonstrate that the recited harms are real, not merely conjectural").

The Government next appears to argue that Section 514 – to the extent it suppresses the right of reliance parties to use works they exploited while the works were in the public domain – serves an important Government interest because it protects American authors whose works had entered the public domain of other countries from having those public domain works exploited by reliance parties in those countries. Although the precise contours are not clear, the essence of this argument appears to be an assumption that Section 514 will encourage other countries to limit the rights of reliance parties, despite – as held above – having no obligation to do so under the Berne Convention.

In support of its argument, the Government proffers evidence of the economic impact caused by foreign piracy of copyrighted United States works. The Government's evidence, however, focuses on the prior reluctance of foreign nations to protect American works unless the United States implemented Article 18 of the Berne Convention. The Government proffers no evidence showing how suppression of reliance parties' First Amendment rights will lead to suppression of reliance parties' rights in foreign nations, or how such suppression will provide a

"direct and material" benefit to United States authors. *See Turner I,* 512 U.S. at 664, 114 S.Ct. 2445.

The Supreme Court teaches that – while Congress's predictive judgments are entitled to substantial deference – a court must "assure that, in formulating its judgments, Congress has drawn reasonable inferences based on substantial evidence." *See id.* at 665-66, 114 S.Ct. 2445. When Congress "trench[es] on first amendment interests, even incidentally, the government must be able to adduce either empirical support or at least sound reasoning on behalf of its measures." *See id.* at 666, 114 S.Ct. 2445 (quoting *Century Commc'ns Corp. v. FCC,* 835 F.2d 292, 304 (D.C.Cir.1987)). This requires an analysis of evidence speaking to the precise question at issue. *See id.* at 666-67, 114 S.Ct. 2445. Without the benefit of specific factual data supporting Congress's reasoning, a court "cannot determine whether the threat is real enough" to constitute an important Government interest, or whether the remedy chosen is sufficiently narrow to overcome a First Amendment challenge. *See id.* at 665-67, 114 S.Ct. 2445.

In order to properly pursue a motion for summary judgment, the Government "bears the initial responsibility of informing the district court of the basis for its motion, and identifying those portions of 'the pleadings, depositions, answers to interrogatories, and admissions on file, together with the affidavits, if any,' which it believes demonstrate the absence of a genuine issue of material fact." *Celotex,* 477 U.S. at 323, 106 S.Ct. 2548. The Government's evidence is

inadequate to meet this initial threshold inquiry. Accordingly – as the evidence presented is inadequate to support the Government's motion in the first instance – summary judgment in favor of the Government on this issue is inappropriate. *See id.*

Denial of the Government's summary judgment motion on this issue does not necessarily require me to grant Plaintiffs' cross-motion on the same question. *See Atlantic Richfield Co.*, 226 F.3d at 1148. Plaintiffs are still required to point to evidence they believe demonstrates the absence of a genuine issue of material fact. *See Celotex*, 477 U.S. at 323, 106 S.Ct. 2548. Plaintiffs meet this threshold inquiry by their proffer of testimony before Congress speaking to the precise issue raised – testimony that stated suppression of reliance parties' First Amendment rights in the United States was unlikely to lead to suppression of foreign reliance parties' rights as they concern United States works in foreign nations. *See* Memorandum of Points and Authorities in Support of Plaintiffs' Motion for Summary Judgment, Part III.B.2 [**Docket # 150**].

Although the Government had the opportunity to present evidence that was contrary to Plaintiffs' supported position, it did not do so. I therefore assume, for purposes of Plaintiffs' motion, that no such evidence exists. *See Atlantic Richfield Co.*, 226 F.3d at 1148. As the burden remains on the Government to present specific evidence showing it has a significant interest that is protected by limiting Plaintiffs' speech and that Section 514 does not burden substantially

more speech than necessary to further the Government's interest, the Government's failure to muster such evidence shows no question of material fact remains to be determined on this issue. *See Turner I*, 512 U.S. at 664-65, 114 S.Ct. 2445; *Celotex*, 477 U.S. at 323, 106 S.Ct. 2548; *Matsushita Elec. Indus. Co.*, 475 U.S. at 587, 106 S.Ct. 1348. Summary judgment in Plaintiffs' favor on this issue is therefore appropriate.

C. Correction of Historic Inequities

The Government's third proffered justification is that Section 514 "serves an important equitable interest – the restoration of copyright protection to authors of foreign origin who lost their United States copyrights through no fault of their own, either because they failed to comply with United States copyright formalities, or because the United States did not have copyright relations with their nations at the time they created their works."

Although neither party argues this point in any detail, the *amicus* brief filed in support of the Government's position [**Docket # 152**] concedes an important point raised by Plaintiffs – namely, that Section 514 extends protections to foreign authors that are not afforded United States authors, even in their own country. Rather than correct an historic inequity, Section 514 appears to create an inequity where one formerly did not exist. The Government proffers no evidence showing how granting foreign

authors copyrights in the United States – yet denying similar protections to United States authors – could constitute an important Government interest. Indeed, this rationale appears inconsistent with the Government's overarching argument that restoring copyrights to foreign authors is an important Government interest for the simple reason that it will afford United States authors more copyright protection. As Plaintiffs' position remains unrebutted by the Government, summary judgment in Plaintiffs' favor is also appropriate on this issue.

V. CONCLUSION

Congress has a legitimate interest in complying with the terms of the Berne Convention. The Berne Convention, however, affords each member nation discretion to restore the copyrights of foreign authors in a manner consistent with that member nation's own body of copyright law. In the United States, that body of law includes the bedrock principle that works in the public domain remain in the public domain. Removing works from the public domain violated Plaintiffs' vested First Amendment interests. In light of the discretion afforded it by the Berne Convention, Congress could have complied with the Convention without interfering with Plaintiffs' protected speech. Accordingly – to the extent Section 514 suppresses the right of reliance parties to use works they exploited while the works were in the public domain – Section 514 is substantially broader than necessary to achieve the Government's interest.

On the basis of the record before the Court, I conclude no evidence exists showing whether the Government's two additional justifications for implementing Section 514 – Section 514 helps protect the copyright interests of United States authors abroad; and Section 514 corrects for historic inequities wrought on foreign authors who lost their United States copyrights through no fault of their own – constitute important Government interests, or whether Section 514 is narrowly tailored to meet those interests.

Accordingly, the Government's motion [**Docket # 147**] is DENIED; Plaintiffs' motion [**Docket # 148**] is GRANTED.

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501 F.3d 1179

United States Court of Appeals,
Tenth Circuit.

Lawrence GOLAN; Estate of Richard Kapp; S.A. Publishing Co, Inc., d/b/a ESS.A.Y. Recordings; Symphony of the Canyons; Ron Hall d/b/a Festival Films; and John McDonough, d/b/a Timeless Video Alternatives International, Plaintiffs-Appellants,

v.

Alberto R. GONZALES, in his official capacity as Attorney General of the United States; and Marybeth Peters, Register of Copyrights, Copyright Office of the United States, Defendants-Appellees,
International Coalition for Copyright Protection, Amicus Curiae.

No. 05-1259.

Sept. 4, 2007.

Lawrence Lessig, Center for Internet and Society, Stanford Law School, Stanford, California (Hugh Q. Gottschalk and Carolyn J. Fairless, Wheeler Trigg Kennedy LLP, Denver, Colorado, with him on the briefs), for Plaintiffs-Appellants.

John S. Koppel, Appellate Staff Civil Division (Peter D. Keisler, Assistant Attorney General, William J. Leone, United States Attorney, and William Kanter, Appellate Staff Civil Division, Washington, D.C., with him on the brief), for Defendants-Appellees.

Eric M. Lieberman and David B. Goldstein, Rabinowitz, Boudin, Standard, Krinsky & Lieberman, P.C., New York, New York, filed an Amicus Curiae brief in support of Defendants-Appellees.

Before HENRY, BRISCOE, and LUCERO, Circuit Judges.

HENRY, Circuit Judge.

Plaintiffs in this case range from orchestra conductors, educators, performers, and publishers to film archivists and motion picture distributors. They challenge two acts of Congress, the Copyright Term Extension Act ("CTEA"), Pub.L. No. 105-298, §§ 102(b) and (d), 112 Stat. 2827-28 (1998) (amending 17 U.S.C. §§ 302, 304), and § 514 of the Uruguay Round Agreements Act ("URAA"), Pub.L. No. 103-465, 108 Stat. 4809, 4976-80 (1994), codified at 17 U.S.C. §§ 104A,[1] 109.

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[1] Section 104A provides in the pertinent part:

(a) Automatic protection and term. –

(1) Term.

(A) Copyright subsists, in accordance with this section, in restored works, and vests automatically on the date of restoration.

. . . .

(h) Definitions. For purposes of this section and section 109(a):

. . . .

(6) The term "restored work" means an original work of authorship that –

(A) is protected under subsection (a);

(B) is not in the public domain in its source country through expiration of term of protection;

(C) is in the public domain in the United States due to –

(Continued on following page)

Also known as the Sonny Bono Copyright Term Extension Act, the CTEA increased the duration of existing and future copyrights from life-plus-50-years to life-plus-70-years. Section 514 of the URAA implements Article 18 of the Berne Convention for the Protection of Literary and Artistic works. Ushered into being in 1886 at the behest of *Association Littéraire et Artistique Internationale,* an organization founded by Victor Hugo and dedicated to obtaining protection for literary and artistic works, the Berne Convention requires member countries to afford the same copyright protection to foreign authors as they provide their own authors. In this case, congressional compliance with the Berne Convention meant copyrighting some foreign works in the public domain.[2]

(I) noncompliance with formalities imposed at any time by United States copyright law, including failure of renewal, lack of proper notice, or failure to comply with any manufacturing requirements; (ii) lack of subject matter protection in the case of sound recordings fixed before February 15, 1972; or (iii) lack of national eligibility; and

(D) has at least one author or rightholder who was, at the time the work was created, a national or domiciliary of an eligible country, and if published was first published in an eligible country and not published in the United States during the 30-day period following publication in such eligible country.

[2] Article 18 of the Berne Convention provides in the pertinent part:

(1) This Convention shall apply to all works which, at the moment of its coming into force, have not yet

(Continued on following page)

Plaintiffs argue the CTEA extends existing copyrights in violation of the "limited Times" provision of the Constitution's Copyright Clause. With regard to the URAA, plaintiffs contend § 514 shrinks the public domain and thereby violates the limitations on congressional power inherent in the Copyright Clause. In addition, plaintiffs argue that § 514's removal of works from the public domain interferes with their First Amendment right to free expression.

The district court dismissed plaintiffs' CTEA claim and granted summary judgment for the government on plaintiffs' URAA challenges. We exercise jurisdiction pursuant to 28 U.S.C. § 1291 and affirm the district court's dismissal of the CTEA claim as foreclosed by the Supreme Court's decision in *Eldred v. Ashcroft,* 537 U.S. 186, 123 S.Ct. 769, 154 L.Ed.2d 683 (2003). We also agree with the district court that § 514 of the URAA has not exceeded the limitations inherent in the Copyright Clause. Nevertheless, we hold that plaintiffs have shown sufficient free expression interests in works removed from the public domain to require First Amendment scrutiny of § 514.

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fallen into the public domain in the country of origin through the expiry of the term of protection.

(2) If, however, through the expiry of the term of protection which was previously granted, a work has fallen into the public domain, of the country where the protection is claimed, that work shall not be protected anew[.]

On this limited basis, we remand for proceedings consistent with this opinion.

I. BACKGROUND

Each plaintiff in this case relies on artistic works in the public domain for his or her livelihood. Lawrence Golan, for example, performs and teaches works by foreign composers including Dmitri Shostakovich and Igor Stravinsky. Before the CTEA, plaintiffs anticipated that certain works would soon outlive copyright protection and enter the public domain. The CTEA delayed this moment by 20 years. Prior to the URAA, each plaintiff utilized or performed works by foreign artists in the public domain, such as Sergei Prokofiev's renowned "Peter and the Wolf." Since the passage of the URAA, plaintiffs must pay higher performance fees and sheet music rentals as well as other royalties. In many cases, these costs are prohibitive.

Plaintiffs filed suit in the United States District Court for the District of Colorado arguing that both the CTEA and the URAA are unconstitutional. The court concluded the Supreme Court's decision in *Eldred* precluded plaintiffs' challenge to the CTEA and granted summary judgment to the government on plaintiffs' two URAA claims. *Golan v. Ashcroft*, 310 F.Supp.2d 1215, 1218 (D.Colo.2004). Reasoning that "Congress has historically demonstrated little compunction about removing copyrightable materials from the public domain," the district court ruled that Congress had the power to enact § 514 of the URAA

under the Copyright Clause. *Golan v. Gonzales,* No. Civ. 01-B-1854(BNB), 2005 WL 914754, at *14 (D.Colo. April 20, 2005). The court also granted summary judgment on plaintiffs' First Amendment claim, on the theory they had no protected interest in the now-copyrighted works. This appeal followed.

II. STANDARD OF REVIEW

We review de novo a district court's grant of summary judgment. *Steffey v. Orman,* 461 F.3d 1218, 1221 (10th Cir.2006). Summary judgment is appropriate only when "there is no genuine issue as to any material fact." FED.R.CIV.P. 56(c). We also examine de novo the district court's conclusions regarding the Constitution. *O'Connor v. Washburn Univ.,* 416 F.3d 1216, 1223 (10th Cir.2005). "[I]t is also appropriate to bear in mind . . . that in the enactment of a statute Congress is presumed to act with knowledge of controlling constitutional limitations or proscriptions and with an intent and purpose to avoid their contravention." *Wells, by Gillig, v. Att'y General of the United States,* 201 F.2d 556, 560 (10th Cir.1953); *see also INS v. Chadha,* 462 U.S. 919, 944, 103 S.Ct. 2764, 77 L.Ed.2d 317 (1983) ("We begin . . . with the presumption that the challenged statute is valid.").

III. DISCUSSION

Plaintiffs claim that the CTEA's 20-year extension of existing copyrights violates the Copyright Clause's "limited Times" provision. In addition, they

contend that the URAA's removal of works from the public domain exceeds the authority granted to Congress under the Copyright Clause. Finally, plaintiffs maintain that § 514 of the URAA must be subject to First Amendment review because it has altered the traditional contours of copyright protection. Since familiarity with the foundations of copyright law is crucial to understanding the dispute, we begin with an outline of basic copyright principles.

Under the Copyright Clause, Congress may "promote the Progress of Science and useful Arts, by securing for limited Times to Authors . . . the exclusive Right to their Writings." U.S. Const. art. I, § 8, cl. 8. The Supreme Court has explained that "[the Clause] is intended to motivate the creative activity of authors and inventors by the provision of a special reward, and to allow the public access to the products of their genius after the limited period of exclusive control has expired." *Sony Corp. of Am. v. Universal City Studios, Inc.*, 464 U.S. 417, 429, 104 S.Ct. 774, 78 L.Ed.2d 574 (1984). By encouraging creative expression through limited monopolies, the Copyright Clause "promot[es] broad public availability of literature, music, and the other arts." *Twentieth Century Music Corp. v. Aiken*, 422 U.S. 151, 156, 95 S.Ct. 2040, 45 L.Ed.2d 84 (1975). "[O]nce the . . . copyright monopoly has expired, the public may use the . . . work at will and without attribution." *Dastar Corp. v. Twentieth Century Fox Film Corp.*, 539 U.S. 23, 33-34, 123 S.Ct. 2041, 156 L.Ed.2d 18 (2003). These imaginative works inspire new creations, which in

turn inspire others, hopefully, ad infinitum. This cycle is what makes copyright "the engine of free expression." *Harper & Row Publishers Inc. v. Nation Enters.*, 471 U.S. 539, 558, 105 S.Ct. 2218, 85 L.Ed.2d 588 (1985).

Congress's power to bestow copyrights is broad. *See Eldred,* 537 U.S. at 205, 123 S.Ct. 769 ("[I]t is Congress that has been assigned the task of defining the scope of the limited monopoly that should be granted to authors . . . in order to give the public appropriate access to their work product.") (internal quotation marks omitted). But it is not boundless. The Copyright Clause itself limits Congress's power as to what kinds of works can be copyrighted and for how long. For instance, in order to be copyrightable, a work must be original. *Feist Publ'ns, Inc. v. Rural Tel. Serv. Co.,* 499 U.S. 340, 345, 111 S.Ct. 1282, 113 L.Ed.2d 358 (1991) ("The *sine qua non* of copyright is originality. . . . Originality is a constitutional requirement."). In addition, a copyright must be limited in duration. *Dastar,* 539 U.S. at 37, 123 S.Ct. 2041 (noting that Congress cannot "create [] a species of perpetual . . . copyright"). The rationale underlying this limitation is that an infinite copyright would deprive the public of the benefit – the right to use and enjoy the expression – that it is supposed to receive in exchange for the grant of monopoly privileges to the author for a discrete period of time. *See id.* at 33-34, 123 S.Ct. 2041 ("The rights of a . . . copyright holder are part of a carefully crafted bargain under which, once the . . . copyright monopoly has expired, the

public may use the . . . work at will and without attribution.") (internal citation and quotation marks omitted).

The Supreme Court has recognized that the First Amendment can limit Congress's power under the Copyright Clause. *Eldred*, 537 U.S. at 219-21, 123 S.Ct. 769 (indicating that copyright acts are not "categorically immune from challenges under the First Amendment") (internal quotation marks omitted). The Court has emphasized, however, that "copyright's built-in First Amendment accommodations" – the idea/expression dichotomy and the fair use defense – generally protect the public's First Amendment interest in copyrighted works. *Id.* at 219-20, 123 S.Ct. 769.

The first of these "built-in safeguards," the idea/expression dichotomy, denies copyright protection "to any idea, procedure, process, system, method of operation, concept, principle, or discovery, regardless of the form in which it is described, explained, illustrated, or embodied in [a copyrighted] work." 17 U.S.C. § 102(b). It reserves to authors, however, the right to exploit their "expression," *id.*, a term that refers to "the particular pattern of words, lines and colors, or musical notes" that comprise a work. ROBERT A. GORMAN, COPYRIGHT LAW 23 (2d ed.2006).

The second safeguard, the fair use defense, allows the public to utilize a copyrighted work "for purposes such as criticism, comment, news reporting,

teaching (including multiple copies for classroom use), scholarship, or research." 17 U.S.C. § 107. The defense protects the public's First Amendment interest in an author's original expression by "afford[ing] considerable latitude for scholarship and comment, and even for parody." *Eldred*, 537 U.S. at 220, 123 S.Ct. 769 (internal citations and quotation marks omitted).

Although these built-in free speech safeguards will ordinarily insulate legislation from First Amendment review, the *Eldred* Court indicated that such review is warranted when an act of Congress has "altered the traditional contours of copyright protection." *Id.* at 221. The Court did not define the "traditional contours of copyright protection." However, as we discuss in detail below, one of these traditional contours is the principle that once a work enters the public domain, no individual – not even the creator – may copyright it.

With these principles in mind, we turn to plaintiffs' challenges to the CTEA and URAA.

A. THE CTEA

The Copyright Clause provides: "The Congress shall have Power . . . To promote the Progress of Science and useful Arts, by securing for limited Times to Authors and Inventors the exclusive Right to their respective Writings and Discoveries[.]" U.S. Const., art. I, § 8, cl. 8. Plaintiffs contend the CTEA violates the "limited Times" prescription by increasing the term from life-plus-50-years to life-plus-70-years.

More specifically, they argue that "the Framers would have considered the [life-plus-70] term to be so long as to be effectively perpetual." Aplts' Br. at 55.

Analyzing the CTEA in light of the Clause's inherent limitations, the Supreme Court upheld the Act in *Eldred*. 537 U.S. at 194, 123 S.Ct. 769 ("[W]e reject petitioners' challenges to the CTEA. . . . Congress acted within its authority and did not transgress constitutional limitations."). Nevertheless, plaintiffs attempt to distinguish *Eldred,* invoking the Court's acknowledgment that "[p]etitioners [did] not challenge the 'life-plus-70-years' timespan itself." *Id.* at 193, 123 S.Ct. 769. Plaintiffs therefore contend that *Eldred* does not foreclose the argument that the CTEA's extension of all future copyrights to a life-plus-70-years timespan violates the Copyright Clause. Though plaintiffs may be correct that the *Eldred* Court did not technically address this term, the rationale underlying *Eldred* compels us to conclude that the CTEA-imposed timespan passes constitutional muster.

The Ninth Circuit recently upheld the dismissal of a nearly-identical CTEA challenge in *Kahle v. Gonzales,* 487 F.3d 697 (9th Cir.2007). The plaintiffs in *Kahle,* like plaintiffs here, argued that the CTEA's life-plus-70-years copyright term violated the "limited Times" prescription because the Framers would have viewed it as "effectively perpetual." *Id.* at 699 (internal quotation marks omitted). As the Ninth Circuit observed, the *Eldred* Court "clearly grasped the role 'limited Times' play in the copyright scheme and the

Framers' understanding of that phrase." *Id.* at 700. Indeed, the *Eldred* Court emphasized that our constitutional scheme charges Congress, and not federal courts, with "the task of defining the scope of the limited monopoly that should be granted to authors." 537 U.S. at 205, 123 S.Ct. 769 (internal quotation marks omitted). As the *Kahle* court reasoned, "the outer boundary of 'limited Times' is determined by weighing the impetus provided to authors by longer terms against the benefit provided to the public by shorter terms. That weighing is left to Congress, subject to rationality review." *Kahle,* 487 F.3d at 701. This rationale is clearly consistent with *Eldred. See* 537 U.S. at 204, 123 S.Ct. 769 (reviewing the CTEA merely to determine "whether it is a rational exercise of the legislative authority conferred by the copyright clause").

We agree with the *Kahle* court's holding that *Eldred* precludes a challenge to the 20-year term extension. *See Eldred,* 537 U.S. at 208, 123 S.Ct. 769 ("We cannot conclude that the CTEA – which continues the unbroken congressional practice of treating future and existing copyrights in parity for term extension purposes – is an impermissible exercise of Congress' power under the Copyright Clause."). Plaintiffs here, like the plaintiffs in *Kahle,* "provide no compelling reason why we should depart from a recent Supreme Court decision." *Kahle,* 487 F.3d at 701.

B. THE URAA

Plaintiffs present two arguments regarding the constitutionality of § 514 of the URAA. First, they claim that § 514 exceeds the authority granted to Congress in the Copyright Clause. Second, they maintain § 514 has disrupted the traditional contours of copyright protection and thus demands First Amendment scrutiny. We begin with the contention that Congress has overstepped its Article I authority.

1. Section 514 does not violate the Copyright Clause

Plaintiffs ground their argument that § 514 transgresses the bounds of Congress's Article I authority in the text of the Copyright Clause. They contend that § 514's extension of copyright protection to works in the public domain eviscerates any limitations imposed by the "limited Times" prescription and the Progress Clause. In essence, plaintiffs aver that unless we hold that the Progress Clause and the "limited Times" prescription prevent Congress from copyrighting works in the public domain, Congress could adopt a practice of copyrighting works as they fall into public domain. This would prevent the public from ever gaining unfettered access to the expressions.

We agree it would be troubling if Congress adopted a consistent practice of restoring works in the public domain in an effort to confer perpetual monopolies. But this argument is similar to one the *Eldred*

plaintiffs raised, and, like the *Eldred* Court, we are mindful that "a regime of perpetual copyrights is clearly not the situation before us." *Eldred,* 537 U.S. at 209, 123 S.Ct. 769.

Plaintiffs cite *Graham v. John Deere Co.,* 383 U.S. 1, 86 S.Ct. 684, 15 L.Ed.2d 545 (1966), in support of their contentions. There, the Supreme Court concluded that Congress could not issue a patent when the invention had resided in the public domain before the inventor had applied for the patent. For both their Progress Clause and "limited Times" arguments, plaintiffs rely heavily on the *Graham* Court's statement that "Congress may not authorize the issuance of patents whose effects are to remove existent knowledge from the public domain, or to restrict free access to materials already available." *Id.* at 6, 86 S.Ct. 684. Plaintiffs contend there is no meaningful distinction between copyrights and patents that would prevent this court from applying *Graham* here.

The D.C. Circuit confronted and rejected an identical argument in *Luck's Music Library, Inc. v. Gonzales,* 407 F.3d 1262 (D.C.Cir.2005), a case in which the plaintiffs maintained that § 514's copyright of works in the public domain violated the Copyright Clause. In rejecting the contention, the D.C. Circuit noted that

> [*Graham*] dealt with patents rather than copyright, and the ideas applicable to one do [not] automatically apply to the other. For

> example, the *Eldred* Court saw the 'quid pro quo' idea as having a special force in patent law, where the patentee, in exchange for exclusive rights must disclose his 'discoveries' against his presumed will. In contrast, the author is eager to disclose her work.

407 F.3d at 1266.

In addition to these distinctions, the *Eldred* Court observed that while patents "prevent full use by others of the inventor's knowledge," "copyright gives the holder no monopoly on any knowledge." 537 U.S. at 217, 123 S.Ct. 769. We further note that the language plaintiffs cite from *Graham* is taken from a discussion about the Progress Clause in the context of conditions for patentability. The sentence following the one plaintiffs emphasize reads: "Innovation, advancement, and things which add to the sum of useful knowledge are inherent requisites in a *patent system* which by constitutional command must 'promote the Progress of . . . the useful Arts.'" *Graham*, 383 U.S. at 6, 86 S.Ct. 684 (emphasis supplied). In fact, the *Graham* Court only mentioned copyright in a footnote when it explained that it had omitted the copyright portion of the Patent and Copyright Clause because it was "not relevant" to the disposition of the case. *Id.* at 6 n. 1, 86 S.Ct. 684. Thus, we conclude that plaintiffs have thrust onto *Graham* a burden it was never intended to bear. We decline to read *Graham* as standing for the proposition that, in the context of copyright, the public domain is a threshold

that Congress may not "traverse in both directions." Aplts' Br. at 50.

Furthermore, the *Graham* Court emphasized that the Constitution assigns Congress the task of "implement[ing] the stated purpose of the Framers by selecting the policy which in its judgment best effectuates the constitutional aim." 383 U.S. at 6, 86 S.Ct. 684. As discussed above, the *Eldred* Court echoed this refrain. *See Eldred,* 537 U.S. at 205, 123 S.Ct. 769 ("[I]t is Congress that has been assigned the task of defining the scope of the limited monopoly that should be granted to authors . . . in order to give the public appropriate access to their work product.") (internal quotation marks omitted). The clear import of *Eldred* is that Congress has expansive powers when it legislates under the Copyright Clause, and this court may not interfere so long as Congress has rationally exercised its authority. *See Eldred,* 537 U.S. at 213, 123 S.Ct. 769 (searching for a "rational basis for the conclusion that the CTEA 'Promotes the Progress of Science'"). Here, we do not believe that the decision to comply with the Berne Convention, which secures copyright protections for American works abroad, is so irrational or so unrelated to the aims of the Copyright Clause that it exceeds the reach of congressional power. *Id.* at 208, 123 S.Ct. 769 (emphasizing that the Court was "not at liberty to second-guess congressional determinations and policy judgments of this order, however debatable or arguably unwise they may be").

Nevertheless, legislation promulgated pursuant to the Copyright Clause must still comport with other express limitations of the Constitution. *Saenz v. Roe*, 526 U.S. 489, 508, 119 S.Ct. 1518, 143 L.Ed.2d 689 (1999) ("Article I of the Constitution grants Congress broad power to legislate in certain areas. Those legislative powers are, however, limited not only by the scope of the Framers' affirmative delegation, but also by the principle that they may not be exercised in a way that violates other specific provisions of the Constitution.") (internal quotation marks omitted); *Buckley v. Valeo*, 424 U.S. 1, 132, 96 S.Ct. 612, 46 L.Ed.2d 659 (1976) ("Congress has plenary authority in all areas in which it has substantive legislative jurisdiction so long as the exercise of that authority does not offend some other constitutional restriction.") (internal citation omitted). Thus, even if Congress has not exceeded its Article I authority, § 514 may still be subject to First Amendment review.

2. Congress's Removal of Works from the Public Domain Alters the Traditional Contours of Copyright Protection and Requires First Amendment Scrutiny

We begin our First Amendment analysis by examining the intersection of the Copyright Clause and the First Amendment. In doing so, we address the *Eldred* Court's holding that the CTEA's extension of existing copyrights did not require First Amendment scrutiny and discuss the Court's suggestion that

an act of Congress would only be subject to First Amendment review if it "altered the traditional contours of copyright protection." 537 U.S. at 221, 123 S.Ct. 769. Based on the *Eldred* Court's analysis, we examine the bedrock principle of copyright law that works in the public domain remain there and conclude that § 514 alters the traditional contours of copyright protection by deviating from this principle. We then explain how this deviation implicates plaintiffs' First Amendment interest in the works at issue and determine that copyright's two built-in free speech safeguards – the idea/expression dichotomy and the fair use defense – do not adequately protect the First Amendment interests. Finally, we note that, unlike the CTEA, the URAA does not adopt supplemental free speech safeguards.

a. *The Copyright Clause & the First Amendment*

It is clear that the Copyright Clause is meant to foster values enshrined in the First Amendment. *See Harper & Row,* 471 U.S. at 558, 105 S.Ct. 2218 (observing that "the Framers intended copyright itself to be the engine of free expression"). The Clause's primary purpose is to provide authors with incentives to produce works that will benefit the public. *See id.* at 546, 105 S.Ct. 2218 ("The monopoly created by copyright thus rewards the individual author *in order to benefit the public.*") (internal quotation marks omitted) (emphasis supplied); *Aiken,* 422 U.S. at 156, 95 S.Ct. 2040 ("The immediate effect of our copyright

law is to secure a fair return for an 'author's' creative labor. But the *ultimate aim* is, by this incentive, to stimulate artistic creativity for the general public good.") (emphasis supplied); *Mazer v. Stein,* 347 U.S. 201, 219, 74 S.Ct. 460, 98 L.Ed. 630 (1954) ("The economic philosophy behind the clause empowering Congress to grant [ ] copyrights is the conviction that encouragement of individual effort by personal gain is the best way to advance public welfare through the talents of authors . . . in ' . . . [the] useful Arts.' "); *Fox Film Corp. v. Doyal,* 286 U.S. 123, 127, 52 S.Ct. 546, 76 L.Ed. 1010 (1932) ("The sole interest of the United States and the primary object in conferring the monopoly lie in the general benefits derived by the public from the labors of authors.").

In *Eldred,* the connection between the First Amendment and copyright prompted the Court to reject the proposition that "copyrights [are] categorically immune from challenges under the First Amendment." 537 U.S. at 221, 123 S.Ct. 769 (internal quotation marks omitted). However, under the facts of *Eldred,* copyright's inherent free speech protections obviated any need for First Amendment review of the CTEA. The Court based this holding on three factors. First, the Court concluded that copyright law's "built-in First Amendment accommodations" – the idea/expression dichotomy and fair use defense – adequately protected the First Amendment interests at stake. *Id.* at 219, 123 S.Ct. 769. Second, the Court reasoned that the plaintiffs had only a trivial interest in the copyrighted works because "[t]he First

Amendment securely protects the freedom to make – or decline to make – one's own speech; it bears less heavily when speakers assert the right to make *other people's* speeches." *Id.* at 221, 123 S.Ct. 769 (emphasis supplied). Finally, the Court noted that the CTEA provided supplemental protections to ensure that the Act did not diminish the public's access to protected expression. *Id.* at 220, 123 S.Ct. 769. The Court further indicated that legislation could be subject to First Amendment scrutiny if it "altered the traditional contours of copyright protection." *Id.* at 221, 123 S.Ct. 769.

b. *The principle that works in the public domain remain there is a traditional contour of copyright protection that § 514 alters*

We begin our analysis of § 514 by exploring the traditional contours of copyright protection. The *Eldred* Court did not define the "traditional contours of copyright protection," and we do not find, nor do the parties suggest that the phrase appears in any other federal authority that might shed light on its meaning. Nevertheless, the term seems to refer to something broader than copyright's built-in free speech accommodations.

Our understanding of the traditional contours of copyright protection has both a functional and a historical component. With regard to the functional aspect, we note that a contour is "an outline" or "the

general form or structure of something." WEBSTER'S NINTH NEW COLLEGIATE DICTIONARY 284 (1984). Because the term copyright refers to a process as well as a form of intellectual property rights, we assess whether removing a work from the public domain alters the ordinary procedure of copyright protection. Relatedly, we explore the way in which the public domain delimits the scope of copyright protection. In addition, the *Eldred* Court's use of the word "traditional" to modify "contours" suggests that Congress's historical practice with respect to copyright and the public domain must inform our inquiry. Based on these criteria, we conclude that the traditional contours of copyright protection include the principle that works in the public domain remain there and that § 514 transgresses this critical boundary.

i. *Copyright Sequence*

Although the specific requirements for perfecting a copyright have changed over the years, the process has always begun when an author generates an original expression. The 1909 Copyright Act required an author seeking protection to attach notice to any distributed copies of his or her work. Moreover, the author could not initiate an infringement action or apply for a renewal unless he or she had formally registered the work with the copyright office. The 1976 Act removed many of the consequences for failure to register or attach notice, and, in 1989, the United States effectively abandoned all formalities as

a condition of compliance with the Berne Convention. Thus, today, a limited copyright attaches at the moment a work is created.[3] When the copyright expires at the end of the statutory period, the work becomes part of the public domain. Until § 514, every statutory scheme preserved the same sequence. A work progressed from 1) creation; 2) to copyright; 3) to the public domain. Under § 514, the copyright sequence no longer necessarily ends with the public domain: indeed, it may begin there. Thus, by copyrighting works in the public domain, the URAA has altered the ordinary copyright sequence.

ii. *Public Domain*

The significance of the copyright sequence, combined with the principle that no individual may copyright a work in the public domain, is that ordinarily works in the public domain stay there. *See Country Kids 'N City Slicks, Inc. v. Sheen,* 77 F.3d 1280, 1287 (10th Cir.1996) (holding that a doll design could not be copyrighted because it was characterized by "typical paper doll features found in the public domain"); *Lipton v. Nature Co.,* 71 F.3d 464, 470 (2d Cir.1995) ("[F]acts are considered to be in the public domain and therefore not protectable under copyright law. . . . "); *Norma Ribbon & Trimming, Inc. v. Little,* 51 F.3d 45, 48 (5th Cir.1995) (holding that certain

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[3] An author must still include notice in order to defend against "innocent infringer[s]." GORMAN, *supra,* at 91.

flowers could not be copyrighted "because these same flowers already existed in the public domain"); *United States v. Hamilton,* 583 F.2d 448, 450 (9th Cir.1978) (noting that "a map which represents a new combination of information already in the public domain lacks any element worthy of copyright protection"); *M.M. Bus. Forms Corp. v. Uarco, Inc.,* 472 F.2d 1137, 1140 (6th Cir.1973) ("Elementary legal words and phrases are in the public domain and no citizen may gain monopoly thereover to the exclusion of their use by other citizens."); *Amsterdam v. Triangle Publ'ns, Inc.,* 189 F.2d 104, 106 (3d Cir.1951) ("The location of county lines, township lines and municipal lines is information within the public domain, and is not copyrightable."); *Christianson v. West Pub. Co.,* 149 F.2d 202, 203 (9th Cir.1945) ("The outline map of the United States with state boundaries is in the public domain and is not copyrightable.") (internal quotation marks omitted); *Meade v. United States,* 27 Fed.Cl. 367, 372 (1992) (holding that "defendant's LOVE stamp" could not be copyrighted because it "exist[ed] in the public domain"); *see also Toro Co. v. R & R Prods. Co.,* 787 F.2d 1208, 1213 (8th Cir.1986) ("If the disputed work is similar to a pre-existing protected work or one in the public domain, the second work must contain some variation recognizable as that of the second author.").

In *Sheldon v. Metro-Goldwyn Pictures Corp.,* 81 F.2d 49, 54 (2d Cir.1936), *aff'd,* 309 U.S. 390, 392, 60 S.Ct. 681, 84 L.Ed. 825 (1940), Judge Learned Hand, a luminary in the field of copyright law, illustrated

this principle when he stated that "if by some magic a man who had never known it were to compose anew Keats's Ode on a Grecian Urn, he would be an 'author,' and, if he copyrighted it, others might not copy that poem, though they might of course copy Keats." *Sheldon,* 81 F.2d at 54. As Judge Hand observed, Keats's poems remained in the public domain – free for anyone to copy – even if someone copyrighted the identical language. Section 514 contravenes this principle.

iii. *The history of American copyright law reveals no tradition of copyrighting works in the public domain*

As we stated above, the fact that the *Eldred* Court used the word "traditional" to modify "contours" suggests that the history of American copyright law should inform our inquiry. *Eldred,* 537 U.S. at 221, 123 S.Ct. 769. Accordingly, we look for evidence indicating that the Framers believed removal of works from the public domain was consistent with the copyright scheme they designed. Congress's past practices are also pertinent to determining whether extricating works from the public domain is a tradition of our country's copyright law.

a. **The Framers' Views**

Unfortunately, constitutional historians know little about the Framers' views regarding copyright

and the public domain. In part, this is because, when the states ratified the Constitution, "the Common Law of the United States . . . was in a highly uncertain state on the subject of copyrights." 1 William W. Crosskey, POLITICS AND THE CONSTITUTION IN THE HISTORY OF THE UNITED STATES 477 (1953). Uncertainty also stems from the fact that none of the usual, reliable sources – The Federalist Papers, Madison's notes from the Constitutional Convention, or accounts of the First Congress's deliberations – take up the subject in any detail.

Passed in 1790, the first Copyright Act granted fourteen years of protection for books, maps, and charts already printed in the United States. *See Eldred,* 537 U.S. at 194, 123 S.Ct. 769 (discussing the 1790 Act). The parties debate whether the First Congress extended copyright protection to works already in the public domain. While the *Eldred* Court recognized that "the First Congress clearly did confer copyright protection on works that had already been created," *id.* at 196 n. 3, 123 S.Ct. 769, plaintiffs argue convincingly that most, if not all, of these works were covered by a *state* common-law copyright and therefore not in the public domain. In response, the government observes that not all states enacted copyright statutes during the period of the Articles of Confederation. *See Feltner v. Columbia Pictures Television, Inc.*, 523 U.S. 340, 350, 118 S.Ct. 1279, 140 L.Ed.2d 438 (1998) (citing Copyright Enactments: Laws Passed in the United States Since 1783 Relating to Copyright 21 (Copyright Office ed., Bulletin

No. 3, rev.1963)); Thomas B. Nachbar, *Intellectual Property and Constitutional Norms*, 104 Colum. L.Rev. 272, 338 n. 284 (2004) ("Of the general copyright laws passed by the States during the years of the Articles of Confederation, two of them (Maryland and Pennsylvania) never even came into effect; they included reciprocity clauses that were never fulfilled because one State, Delaware, never enacted a general copyright law. . . .").

Although the history of the 1790 Act could be highly informative of the Framers' views, the answer to the question of whether Congress thought it was removing works from the public domain is probably not just unclear but also unknowable. Edward C. Walterscheid, *Understanding the Copyright Act of 1790: the Issue of Common Law Copyright in America and the Modern Interpretation of the Copyright Power*, 53 J. Copyright Soc'y U.S.A. 313, 332 (2006) ("There is very little contemporaneous legislative history dealing with the 1790 Act."); *see also id.* at 340 ("[I]t is impossible to demonstrate with any reasonable certainty from the language of the 1790 Copyright Act and the circumstances surrounding its enactment that Congress believed that it was creating a property right in authors rather than affirming and protecting an existing common-law right, albeit for a limited time.").

Given the scarcity of historical evidence, we cannot conclude that the Framers viewed removal of works from the public domain as consistent with the copyright scheme they created. Nor do we discern at

the dawn of the Republic any burgeoning tradition of removing works from the public domain.

b. Congressional Practice Since the First Congress

At oral argument, the government conceded that apart from the 1790 Act's purported grant of copyright protection to works in the public domain, there have been few instances of such grants since. It does, however, point to a series of private bills granting copyrights to individuals. But "[t]hese private bills do not support the [government's] historical gloss, but rather significantly undermine the historical claim." *Eldred,* 537 U.S. at 234, 123 S.Ct. 769 (Stevens, J., dissenting). Far from providing evidence that copyrighting works in the public domain is within the traditional contours of copyright protection, the fact that individuals were forced to resort to the uncommon tactic of petitioning Congress demonstrates that this practice was *outside* the normal practice.

In addition, the government argues that the wartime acts of Dec. 18, 1919, Pub.L. No. 66-102, 41 Stat. 368, and the Emergency Copyright Act of 1941, Pub.L. No. 77-258, 55 Stat. 732, removed works from the public domain by granting the President authority to give foreign authors additional time to comply with copyright requirements. However, a review of the historical record reveals that these emergency wartime bills, passed in response to exigent circumstances, merely altered the means by which

authors could comply with the procedural rules for copyright; these bills were not explicit attempts to remove works from the public domain. The Emergency Copyright Act of 1941, for example, recognized that authors "may have been *temporarily unable to comply* with [copyright formalities] because of the disruption or suspension of facilities essential for such compliance." 55 Stat. 732 (emphasis supplied).

The statutory context of these acts reveals that they were, at most, a brief and limited departure from a practice of guarding the public domain. In previous actions granting copyrights to foreign authors, Congress emphasized that it was not attempting to interfere with the rights of Americans who had relied on the foreign works. For example, the 1919 Act stated that "nothing herein contained shall be construed to deprive any person of any right which he may have acquired by the republication of such foreign work in the United States prior to approval of this Act." 41 Stat. 369. One of the Acts to which the 1919 Act referred was the 1909 Copyright Act. That Act made clear that "no copyright shall subsist in the original text of any work which is *in the public domain*." Copyright Act, Pub.L. No. 60-349, 35 Stat. 1075, 1077 (1909) (emphasis supplied).

This context notwithstanding, the wartime acts may have had the effect of removing a very small number of works from the public domain. Nevertheless, this possibility is insufficient to establish a traditional contour of copyright law. Indeed, world war is (hopefully) not traditional. The fact that the

legislation was passed in response to the exigencies of a world war suggests that Congress felt compelled to depart from its normal practice of preserving the public domain. Moreover, the mere passage of these discrete acts does not indicate that such removal was consistent with any provision of the Constitution, including the First Amendment. *See* 3 NIMMER ON COPYRIGHT § 9A.07[A], 9A-79 to -80 (2007) (stating that "although three [wartime] enactments granted very limited resurrection, . . . the practice under those circumscribed enactments was simply to sweep the constitutional issues under the rug").

Based on the foregoing, we see no tradition of removing works from the public domain. Indeed, if anything, our examination of the history of American copyright law reveals that removal was the exception rather than the rule. Thus, § 514 deviates from the time-honored tradition of allowing works in the public domain to stay there.

iv. *Conclusion*

In sum, by extending a limited monopoly to expressions historically beyond the pale of such privileges, the URAA transformed the ordinary process of copyright protection and contravened a bedrock principle of copyright law that works in the public domain remain in the public domain. Therefore, under both the functional and historical components of our inquiry, § 514 has altered the traditional contours of copyright protection.

c. *The URAA's removal of works from the public domain implicates plaintiffs' First Amendment interest*

We now explain how this alteration of traditional contours affects the First Amendment interests of these plaintiffs. To begin, as discussed above, copyright law bears out the rather obvious – but significant – point that works in the public domain belong to the public. *See Dastar,* 539 U.S. at 33-34, 123 S.Ct. 2041 (2003) ("[O]nce the . . . copyright monopoly has expired, the public may use the . . . work at will and without attribution."); *Am. Tobacco Co. v. Werckmeister,* 207 U.S. 284, 299-300, 28 S.Ct. 72, 52 L.Ed. 208 (1907) (observing that widespread publication of a work without copyright protection "render[s] such work *common property*") (emphasis supplied). As Judge Hand made clear in *National Comics Publications, Inc. v. Fawcett Publications, Inc.,* 191 F.2d 594, 603 (2d Cir.1951), a case that involved copyrights to "Superman" and "Captain Marvel" comic strips, "once [the strips fell] into the public domain . . . *anyone might copy them.*" In other words, each member of the public – "anyone" – has a non-exclusive right, subject to constitutionally permissible legislation, to use material in the public domain. The implication of this principle is that the plaintiffs here possessed a non-exclusive right to use the works at issue.

Furthermore, the First Amendment protects plaintiffs' right to unrestrained artistic use of these works. The Supreme Court has emphasized that the right to artistic expression is near the core of the

First Amendment. *Ward v. Rock Against Racism,* 491 U.S. 781, 790, 109 S.Ct. 2746, 105 L.Ed.2d 661 (1989) ("Music is one of the oldest forms of human expression. From Plato's discourse in the Republic to the totalitarian state in our own times, rulers have known [music's] capacity to appeal to the intellect and to the emotions, and have censored musical compositions to serve the needs of the state. . . . The Constitution prohibits any like attempts in our own legal order. Music, as a form of expression and communication, is protected under the First Amendment."); *Schad v. Borough of Mount Ephraim,* 452 U.S. 61, 65, 101 S.Ct. 2176, 68 L.Ed.2d 671 (1981) ("Entertainment, as well as political and ideological speech, is protected; motion pictures, programs broadcast by radio and television, and live entertainment, such as musical and dramatic works, fall within the First Amendment guarantee."); *Kaplan v. California,* 413 U.S. 115, 119-120, 93 S.Ct. 2680, 37 L.Ed.2d 492 (1973) ("[P]ictures, films, paintings, drawings, and engravings . . . have First Amendment protection. . . .").

Together, the clear import of these principles is that the public in general and these plaintiffs in particular have a First Amendment interest in using works in the public domain. For example, at the moment that Dmitri Shostakovich's *Symphony No. 5* entered the public domain, Plaintiff John Blackburn had a right to create a derivative work for a high school band to perform at an event commemorating 9/11. The principle of copyright law that shields works in the public domain from copyright ensured

Mr. Blackburn's right to create the piece, and the First Amendment protected his right to perform it.

Section 514 has interfered with Mr. Blackburn's right by making the cost of performance or creation of new derivative works based on Shostakovich's *Symphony No. 5* prohibitive. Moreover, as the example of Mr. Blackburn's composition suggests, plaintiffs' First Amendment interests in public domain works are greater than the interests of the *Eldred* plaintiffs. The *Eldred* plaintiffs did not – nor had they ever – possessed unfettered access to any of the works at issue there. As the *Eldred* Court observed, the most the *Eldred* plaintiffs could show was a weak interest in "making other people's speeches." 537 U.S. at 221, 123 S.Ct. 769. By contrast, the speech at issue here belonged to plaintiffs when it entered the public domain. In reliance on their rights to these works, plaintiffs have already performed or planned future performances and used these publically available works to create their own artistic productions.[4]

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[4] Interestingly, during the *Eldred* oral argument, Justice Souter asked then-Solicitor General Olsen whether the Copyright Clause combined with the Necessary and Proper Clause could justify the extension of monopoly privileges to a "copyright that expired yesterday." Aplts' Supp. Auth. dated June 2, 2006, Transcript of Oral Argument at 44, *Eldred v. Ashcroft*, 537 U.S. 186, 123 S.Ct. 769, 154 L.Ed.2d 683 (2003). The Solicitor General replied that although such an act was not inconceivable, the public domain likely presented a "bright line" because once "[s]omething . . . has already gone into the public domain [] other individuals or companies or entities may then have

(Continued on following page)

By removing works from the public domain, § 514 arguably hampers free expression and undermines the values the public domain is designed to protect. *See Meade,* 27 Fed.Cl. at 372 ("Extending copyright protection to a heart-shaped picture of earth effectively would grant the copyright holder a monopoly over the innumerable ways of expressing this picture. Allowing this picture to remain in the public domain for all artists to interpret freely, however, will foster creativity by ensuring that future mapmakers and artists have an ample store of ideas on which to build their works."). We therefore conclude that once the works at issue became free for anyone to copy, plaintiffs in this case had vested First Amendment interests in the expressions, and § 514's interference with plaintiffs' rights is subject to First Amendment scrutiny.

d. *Copyright's built-in free speech safeguards are not adequate to protect the First Amendment interests at stake*

In *Eldred,* the Court indicated that "copyright's built-in free speech safeguards are *generally* adequate to address [First Amendment concerns]." 537 U.S. at 221, 123 S.Ct. 769 (emphasis supplied). Below, we conclude that the idea/expression dichotomy and the

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acquired an interest in, or rights to be involved in disseminating [the work.]" *Id.*

fair use defense are not designed to combat the threat to free expression posed by § 514's removal of works from the public domain.

i. *Idea/Expression Dichotomy*

The idea/expression dichotomy protects First Amendment interests by ensuring that "no author may copyright facts or ideas. The copyright is limited to those aspects of the work – termed 'expression' – that display the stamp of the author's originality." *Harper & Row,* 471 U.S. at 547, 105 S.Ct. 2218 (citation omitted). The Supreme Court has observed that the idea/expression dichotomy "strikes a definitional balance between the First Amendment and the Copyright Act by permitting free communication of facts while still protecting an author's expression." *Eldred,* 537 U.S. at 219, 123 S.Ct. 769 (quoting *Harper,* 471 U.S. at 556, 105 S.Ct. 2218). *See* 4 NIMMER ON COPYRIGHT, *supra,* § 19E.03 [A][2], at 19E-20 to -21 ("In general, the democratic dialogue – a self-governing people's participation in the marketplace of ideas – is adequately served if the public has access to an author's ideas, and such loss to the dialogue as results from inaccessibility to an author's 'expression' is counterbalanced by the greater public interest in the copyright system.").

However, the idea/expression dichotomy's utility as a definitional mechanism is limited to determining whether a proposed work is an idea or whether the work displays sufficient originality to constitute an

expression. In the typical case, the danger to free speech interests is that an individual might gain monopoly privileges over an idea. Here, by contrast, there is no doubt that the works at issue are expressions; the threat to free expression lies not in what is being copyrighted, but in the fact that the works are being removed from the public domain. The idea/expression dichotomy is simply not designed to determine whether Congress's grant of a limited monopoly over an expression in the public domain runs afoul of the First Amendment.

ii. *Fair Use Defense*

"The [fair use] defense provides: the fair use of a copyrighted work, including such use by reproduction in copies . . . , for purposes such as criticism, comment, news reporting, teaching (including multiple copies for classroom use), scholarship, or research, is not an infringement of copyright." 17 U.S.C. § 107 (internal quotation marks omitted). "[It] allows the public to use not only facts and ideas contained in a copyrighted work, but also expression itself in certain circumstances." *Eldred,* 537 U.S. at 219, 123 S.Ct. 769. For example, although Ralph Ellison's estate may retain the copyright to his classic novel *Invisible Man,* the fair use defense permits scholars and teachers to quote extensively from the book and even reproduce entire sections for the purpose of commenting on (say) the parallels between the narrator's literal and figurative vision. Because the purpose of the fair use defense is to "afford[] considerable

'latitude for scholarship and comment,'" *Eldred,* 537 U.S. at 220, 123 S.Ct. 769 (quoting *Harper,* 471 U.S. at 560, 105 S.Ct. 2218), the Court has described it as a "guarantee of breathing space within the confines of copyright." *Campbell v. Acuff-Rose Music, Inc.,* 510 U.S. 569, 579, 114 S.Ct. 1164, 127 L.Ed.2d 500 (1994).

In our view, the fair use doctrine is not a sufficient safeguard of plaintiffs' First Amendment interests. Although the doctrine allows limited use of copyrighted works, it does not address works that have entered the public domain and are therefore available for unrestricted use. By withdrawing works from the public domain, § 514 leaves scholars, artists, and the public with less access to works than they had before the Act. The fact that the fair use doctrine permits some access to those works may not be an adequate substitute for the unlimited access enjoyed before the URAA was enacted. Thus, instead of providing additional "breathing space" for free expression, the fair use defense suggests that § 514 infringes upon plaintiffs' First Amendment rights.

In sum, "copyright's built-in free speech safeguards," *Eldred,* 537 U.S. at 221, 123 S.Ct. 769, are designed to govern the distribution of rights between authors and the public from the moment a work is created and copyrighted until the copyright expires. This design presumes that some rights are properly reserved for the author who has never relinquished his right to exploitation. Once a work has entered the public domain, however, neither the author nor the author's estate possesses any more right to the work

than any member of the general public. Because § 514 bestows copyrights upon works in the public domain, these built-in safeguards are not adequate to protect plaintiffs' First Amendment interests.

iii. *The URAA does not supplement the traditional First Amendment safeguards*

In concluding that the CTEA did not require First Amendment scrutiny, the *Eldred* Court noted that "the CTEA [] supplements the[] traditional safeguards." *Id.* The Court described the additional protections as follows:

> First, [the CTEA] allows libraries, archives, and similar institutions to "reproduce" and "distribute, display, or perform in facsimile or digital form" copies of certain published works "during the last 20 years of any term of copyright . . . for purposes of preservation, scholarship, or research" if the work is not already being exploited commercially and further copies are unavailable at a reasonable price. 17 U.S.C. § 108(h). Second, Title II of the CTEA, known as the Fairness in Music Licensing Act of 1998, exempts small businesses, restaurants, and like entities from having to pay performance royalties on music played from licensed radio, television, and similar facilities.

Id. at 220, 123 S.Ct. 769 (quoting 17 U.S.C. § 108(h)) (some internal citations omitted).

The URAA contains none of the CTEA's supplemental First Amendment protections. It neither provides exceptions for "libraries, archives and similar institutions," nor exemptions for "small businesses, restaurants and like entities from having to pay performance royalties." 17 U.S.C. § 108(h). Rather than excepting parties, such as plaintiffs, who have relied upon works in the public domain, the URAA provides only a safe harbor allowing a party to use a restored work for one year after receiving notice of the restored copyright protection. 17 U.S.C. § 104A(d)(2). We note, however, that it does permit a party to continue to use a work if notice is not given. *See Luck's Music,* 407 F.3d at 1265 (discussing § 104A(d)(2)). When compared to the CTEA, this is hardly a "guarantee of breathing space." *Campbell,* 510 U.S. at 579, 114 S.Ct. 1164.

IV. INSTRUCTIONS FOR REMAND

In conducting its First Amendment analysis on remand, the district court should assess whether § 514 is content-based or content-neutral. Content-based restrictions on speech are those which "suppress, disadvantage, or impose differential burdens upon speech because of its content." *Grace United Methodist Church v. City of Cheyenne,* 451 F.3d 643, 657 (10th Cir.2006) (internal citations and quotations omitted). These restrictions "are subject to the most exacting scrutiny." *Id.* If § 514 is a content-based restriction, then the district court will need to consider whether the government's interest in promulgating

the legislation is truly "compelling" and whether the government might achieve the same ends through alternative means that have less of an effect on protected expression.[5] *United States v. Playboy Entm't Group, Inc.*, 529 U.S. 803, 813, 120 S.Ct. 1878, 146 L.Ed.2d 865 (2000). By contrast, "[a] regulation that serves purposes unrelated to the content of expression is deemed neutral, even if it has an incidental effect on some speakers or messages but not others."

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[5] Although not mentioned by the parties, Congress's treaty, commerce, and takings powers may provide Congress with the authority to enact § 514. *See* 3 NIMMER ON COPYRIGHT § 9A.07[B], 9A-79 to -80, 90A.07 [C], 9A-85. We also note that at oral argument, Professor Lessig claimed that the experience of other countries, such as the United Kingdom, suggests that the United States could comply with the Berne Convention through less restrictive means. Indeed, the United Kingdom Copyright Statute, as well as the statutes in Australia, Canada, India, and New Zealand, define a reliance party as any person who "incurs or has incurred any expenditure or liability in connection with, for the purpose of or with a view to the doing of an act which at the time is not or was not an act restricted by any copyright in the work." Irwin Karp, *Final Report, Berne Article 18 Study on Retroactive United States Copyright Protection for Berne and Other Works*, 20 COLUM.-VLA J.L. & Arts 157, 178 (Winter 1996) (quoting "The Copyright (Application to Other Countries) Order in Council 988"; June 13, 1989, Article 7(2), reprinted in Copyright Laws and Treaties of the World, UK: Item 7c, at 2 (Unesco Supp.1989-1990)). Under the British, Canadian, Australian, and Indian systems, "the reliance party is allowed to continue making those uses of the work it had made, or incurred commitments to make, before its copyright is restored. But the reliance party can be 'bought out' by the owner of the restored copyright. That is, the reliance party must cease exploiting the work if the owner pays compensation, in an amount to be determined by negotiation or arbitration." *Id.*

Rock Against Racism, 491 U.S. at 791, 109 S.Ct. 2746. A content-neutral restriction must be "narrowly tailored to serve a significant governmental interest." *Id.* (quoting *Clark v. Cmty. for Creative Non-Violence*, 468 U.S. 288, 293, 104 S.Ct. 3065, 82 L.Ed.2d 221 (1984)).

V. CONCLUSION

For the foregoing reasons, we affirm the district court's dismissal of the CTEA claim as foreclosed by *Eldred*. We also affirm the district court's holding that § 514 of the URAA does not exceed the limitations inherent in the Copyright Clause. Nevertheless, since § 514 has altered the traditional contours of copyright protection in a manner that implicates plaintiffs' right to free expression, it must be subject to First Amendment review. We therefore REMAND for proceedings consistent with this opinion.

Not Reported in F.Supp.2d,
2005 WL 914754 (D.Colo.),
74 U.S.P.Q.2d 1808

Golan
v.
Gonzales

U.S. District Court District of Colorado

No. 01-B-1854 (BNB)
Decided April 20, 2005

Action by Lawrence Golan, Richard Kapp, S.A. Publishing Co. IND. d/b/a ESS.A.Y. Recordings, Symphony of the Canyons, Ron Hall d/b/a Festival Films, and John McDonough d/b/a Timeless Video Alternatives International against Alberto R. Gonzales, in his capacity as Attorney General of the United States, and Marybeth Peters, Register of Copyrights, in which plaintiffs allege that Uruguay Round Agreements Act's Section 514, amending 17 U.S.C. §§ 104(A) and 109(a), is unconstitutional. On defendants' motion for summary judgment, and on plaintiffs' motion for partial summary judgment on issue of whether Congress exceeded its authority in enacting Section 514 of URAA. Defendants' motion granted; plaintiffs' motion denied.

Carolyn J. Fairless and Hugh Gottschalk, of Wheeler Trigg Kennedy, Denver, Colo.; Holly Gaudreau and Theodore T. Herhold, of Townsend, Townsend & Crew, San Francisco, Calif.; Jennifer S. Granick, Christopher J. Sprigman, and Colette Vogele, of Stanford Law

School, Stanford, Calif.; Edward Lee, of Mortiz College of Law, Columbus, Ohio, for plaintiffs.

Paul A. Diller, Christopher R. Hall, Samuel C. Kaplan, and Joshua Z. Rabinovitz, U.S. Department of Justice, Washington, D.C., for defendant.

Babcock, C.J.

This case on motions for summary judgment comes to the issue whether a provision of the Uruguay Round Agreements Act, Pub. L. No. 103-465 (amending, *inter alia,* 17 U.S.C. §§ 104A, 109(a)) ("URAA") accords with the United States Constitution. The defendants (collectively, the "Government") have filed a motion for summary judgment. The plaintiffs, Lawrence Golan, Richard Kapp, S. A. Publishing Co. Ind. d/b/a ESS.A.Y. Recordings, Symphony of the Canyons, Ron Hall d/b/a Festival Films, and John McDonough d/b/a Timeless Video Alternatives International, move for partial summary judgment on the question whether Congress exceeded its authority in enacting Section 514 of the URAA. The motions are adequately briefed and oral argument would not materially aid their resolution. For the reasons stated below, I GRANT the Government's motion and DENY the plaintiffs' motion.

At issue is Section 514 of the URAA, codified in 17 U.S.C. § 104A, which restores copyright protection to works of foreign authors that are not in the public domain in the source countries but passed into the public domain in the United States due (primarily) to noncompliance with formalities imposed by United

States copyright law. Pub. L. 103-465, H.R. 5110, § 514. 17 U.S.C. § 104A now provides, *inter alia,*

> (a) Copyright subsists, in accordance with this section, in restored works, and vests automatically on the date of restoration. Any work in which copyright is restored under this section shall subsist for the remainder of the term of copyright that the work would have otherwise been granted in the United States if the work never entered the public domain in the United States.
>
> . . .
>
> (h)(5) The term "restored copyright" means copyright in a restored work under this section.
>
> (h)(6) The term "restored work" means an original work of authorship that –
>
> (A) is protected under subsection (a);
>
> (B) is not in the public domain in its source country through expiration of term of protection;
>
> (C) is in the public domain in the United States due to –
>
> (i) noncompliance with formalities imposed at any time by United States copyright law, including failure of renewal, lack of proper notice, or failure to comply with any manufacturing requirements;

(ii) lack of subject matter protection in the case of sound recordings fixed before February 15, 1972; or

(iii) lack of national eligibility;

(D) has at least one author or rightholder who was, at the time the work was created, a national or domiciliary of an eligible country, and if published, was first published in an eligible country and not published in the United States during the 30-day period following publication in such eligible country; and

(E) if the source country for the work is an eligible country solely by virtue of its adherence to the WIPO Performances and Phonograms Treaty, is a sound recording.

17 U.S.C. § 104A(a) and (h)(5&6).

The questions presented, in their broadest terms, are three. First, I must determine whether the Constitution grants Congress the authority to enact Section 514 of the URAA into law. Second, I must examine the Government's proffered basis for URAA Section 514 and resolve whether it is rationally related to a legitimate Government interest. Third, even if Congress' authority is established and Congress has exercised that authority properly, the parties dispute whether Section 514 of the URAA infringes upon the plaintiffs' constitutionally-protected rights.

The parties do not dispute that the plaintiffs are each purveyors and exploiters of intellectual property

that was, prior to Congress' passage of the URAA, in the public domain and for which copyright protection has now been restored to the foreign creators. The purpose of a summary judgment motion is to assess whether trial is necessary. *White v. York Int'l Corp.*, 45 F.3d 357, 360 (10th Cir. 1995). I shall grant summary judgment if the pleadings, depositions, answers to interrogatories, admissions, or affidavits show there is no genuine issue of material fact and the moving party is entitled to judgment as a matter of law. Fed. R. Civ. P. 56(c). Because the parties do not dispute issues of material fact, this case is singularly well-suited to summary disposition; the questions of constitutional and statutory construction raised here present legal questions properly resolved by summary judgment. *Oklahoma ex rel. Department of Human Services v. Weinberger,* 741 F.2d 290, 291 (10th Cir. 1983), *cert. denied sub nom., Farrah v. United States,* 466 U.S. 971, 104 S. Ct. 2343, 80 L. Ed. 2d 817 (1984); *Higganbotham v. Okla. ex rel. Okla. Transp. Comm'n,* 328 F.3d 638, 646 (10th Cir. 2003); *Santana v. City of Tulsa,* 359 F.3d 1241, 1246 (10th Cir. 2004). I am deferential to Congress. *Eldred v. Ashcroft,* 537 U.S. 186, 213, 123 S. Ct. 769, 154 L. Ed. 2d 683 [65 USPQ2d 1225] (2003); *Oklahoma ex rel. Okla. Dep't of Pub. Safety v. United States,* 161 F.3d 1266, 1269 (10th Cir. 1998), *cert. denied,* 528 U.S. 1114, 120 S. Ct. 930, 145 L. Ed. 2d 810 (2000). Statutes are presumed constitutional. *United States v. Dorris,* 236 F.3d 582, 585 (10th Cir. 2000), *cert. denied* 532 U.S. 986, 121 S. Ct. 1635, 149 L. Ed. 2d 495 (2001). It is generally for Congress, not the courts, to decide how

best to pursue the Constitution's objectives. *Eldred*, 537 U.S. at 212.

I. Congressional authority

The plaintiffs doubt that URAA Section 514 is within the power granted to Congress because, they argue, it impermissibly removes works from the public domain. The Constitution provides, "The Congress shall have Power . . . To promote the Progress of Science and useful Arts, by securing for limited Times to Authors and Inventors the exclusive Right to their respective Writings and Discoveries; . . . ." U.S. Constitution, art. I, § 8, cl. 8. This Intellectual Property Clause ("IP Clause") "is both a grant of power and a limitation." *Graham v. John Deere Co.*, 383 U.S. 1, 5, 86 S. Ct. 684, 15 L. Ed. 2d 545 [148 USPQ 459] (1966). The primary purpose of the IP Clause is not to reward the labor of authors, but to promote the progress of science and the useful arts. *Feist Publ'ns, Inc. v. Rural Tel. Serv. Co.*, 499 U.S. 340, 349, 111 S. Ct. 1282, 113 L. Ed. 2d 358 [18 USPQ2d 1275] (1991). The economic philosophy behind the IP Clause "is the conviction that encouragement of individual effort by personal gain is the best way to advance public welfare through the talents of authors and inventors in 'Science and useful Arts.'" *Mazer v. Stein*, 347 U.S. 201, 219, 74 S. Ct. 460, 98 L. Ed. 630 [100 USPQ 325] (1954). Progress could not be encouraged if creative works were never subjects of public exploitation and development. For that reason, the IP Clause imposes important limitations upon Congress'

authority to grant monopolies. Congress may grant exclusive rights to authors and inventors only for limited times, U.S. Constitution, art. I, § 8, cl. 8, and only for original intellectual conceptions of the author, *Feist Publications, Inc.*, 499 U.S. at 346-347.

1 The plaintiffs suggest that the IP Clause imposes an additional limitation – copyrights cannot be restored to works that have passed into the public domain. The plaintiffs perceive this absolute bar in the text's commitment to the progress of science and useful arts; the exploitation of works aids the development of ideas and so the public domain must be inviolate. I recognize that the IP Clause implicitly guards the public domain in order to encourage intellectual progress and the free exchange of ideas.

> Save for the limited protection accorded the creator of literary and intellectual works under the Copyright Act or its exceptions . . . any one may freely and with impunity avail himself of such works to any extent he may desire and for any purpose whatever subject only to the qualification that he does not steal good will, or, perhaps more accurately stated, deceive others in thinking the creations represent his own work.

Cable Vision, Inc. v. KUTV, Inc., 335 F.2d 348, 351 [142 USPQ 249] (9th Cir. 1964), *cert. denied sub nom., KLIX Corp. v. Cable Vision, Inc.*, 379 U.S. 989, 85 S. Ct. 700, 13 L. Ed. 2d 609 (1965).

However, that the public domain is indeed public does not mandate that the threshold across which

works pass into it cannot be traversed in both directions. That is a very different question. Indeed, neither the Supreme Court nor any Circuit Court has adopted the rule that the plaintiffs suggest.

The plaintiffs analogize to cases that have arisen under Congress' patent power. The Government relies upon the history of congressional interpretation of the IP Clause, which, it argues, is suffused with removals of works from the public domain. The District Court for the District of Columbia, in *Lucks Music Library, Inc. v. Ashcroft,* 321 F.Supp. 2d 107 [71 USPQ2d 12781 (D.D.C. 2004), has concluded that URAA Section 514 is consistent with that precedent.

I look first to the patent cases and then to the history of congressional interpretation of its copyright power.

A. The patent cases

The plaintiffs refer me to the *Graham* decision, in which the Supreme Court stated that "Congress may not authorize the issuance of patents whose effects are to remove existent knowledge from the public domain, or to restrict free access to materials already available." *Graham,* 383 U.S. at 6. "Innovation, advancement, and things which add to the sum of useful knowledge are inherent requisites in a patent system which by constitutional command must 'promote the Progress of . . . useful Arts.'" *Id.* Extrapolating from *Graham,* at least one circuit court has indicated in dicta that Congress is precluded

from issuing a copyright to a work after it enters the public domain. *Eldred v. Reno,* 239 F.3d 372, 377 [57 USPQ2d 1842] (D.C. Cir. 2001), *aff'd sub nom., Eldred v. Ashcroft,* 537 U.S. 186, 123 S. Ct. 769, 154 L. Ed. 2d 683 [65 USPQ2d 1225] (2003).

The plaintiffs place greater weight upon the *Eldred* court's dicta than it was intended to bear. The court there explicitly disclaimed any attempt to resolve this question, which did not touch upon its holding. *Ibid.*

The plaintiffs also find support for their reading of *Graham* in various decisions standing for the unremarkable rule that materials in the public domain cannot be copyrighted. *See, e.g., Singer Mfg. Co. v. June Mfg. Co.,* 163 U.S. 169, 16 S. Ct. 1002, 41 L. Ed. 118 (1896); *Dastar Corp. v. Twentieth Century Fox Film Corp.,* 539 U.S. 23, 33-34, 123 S. Ct. 2041, 156 L. Ed. 2d 18 [66 USPQ2d 1641] (2003); *Country Kids 'N City Slicks v. Sheen,* 77 F.3d 1280, 1287 [38 USPQ2d 1017] (10th Cir. 1996); *Bridge Pub'ls. v. F.A.C.T.Net.,* 183 F.R.D. 254, 262 [48 USPQ2d 1919] (D. Colo. 1998); *Kepner-Tregoe, Inc. v. Executive Dev., Inc.,* 79 F.Supp. 2d 474, 492 (D.N.J. 1999), *aff'd,* 276 F.3d 577 (3d Cir. 2001); *Jacobs v. Robitaille,* 406 F.Supp. 1145, 1149 [189 USPQ 602) (D.N.H. 1976). Those courts concerned themselves with the boundaries of authors' statutory rights, not of congressional authority, and their decisions are neither helpful nor applicable here.

Even assuming that the principles enunciated in *Graham* govern copyright cases – a doubtful proposition, as shown below – the holding of that case is not sufficiently expansive to govern this case. The *Graham* Court determined the constitutionality of a congressional prohibition against the issuance of patents for obvious technological advances. *Graham,* 383 U.S. at 3. This is a distinction with a difference, for I am confronted here with the question whether Congress may properly restore to creators of intellectual property their copyrights; the Court in *Graham* concerned itself with the more foundational question under what circumstances those claiming entitlement to patent protection might constitutionally be denied such protection in the first place. The Supreme Court has held that Congress may permissibly grant retroactive patent protection to an inventor who has failed to secure such protection at the time of the invention. *McClurg v. Kingsland*, 42 U.S. 202, 206, 1 How. 202, 11 L. Ed. 102 (1843); *Eldred,* 537 U.S. at 202-203. The Government argues that *McClurg* controls this case. The *McClurg* plaintiff, however, was not granted protection against the defendant, his employer, who had exploited the technology during the time between its creation and vestment of the patent. Though the plaintiff did not lose his rights vis-a-vis third parties by virtue of the defendant's exploitation, the defendant was properly shielded from liability to the plaintiff as a result of its reliance upon the plaintiff's delay in acquiring the patent and the plaintiff's utilization of the defendant's own resources in developing the technology. *Id* at 208-209. *See also, Gill v. United*

States, 160 U.S. 426, 431, 16 S. Ct. 322, 40 L. Ed. 480 (1896); *United States v. Dubilier Condenser Corp.,* 289 U.S. 178, 188, 53 S. Ct. 554, 77 L. Ed. 1114 (1933), *amended by,* 289 U.S. 706, 53 S. Ct. 687, 77 L. Ed. 1462 (1933). It is "inescapably plain that *McClurg* upheld the expanded patent application to an existing patent," not to the restoration of a patent right at the expense of the public domain. *Eldred,* 537 U.S. at 203 n.9.

In all events, *Graham* and *McClurg* are of little assistance here. The considerations guiding those decisions are largely peculiar to the patent context because, "[w]hile a copyright confers on its owner an exclusive right to reproduce the original work, a patent provides its owner with the far broader right to exclusive use of the novel invention or design for a time-specific period." *Demetriades v. Kaufmann,* 680 F.Supp. 658, 662 [6 USPQ2d 1737] (S.D.N.Y. 1988). "From their inception, the federal patent laws have embodied a careful balance between the need to promote innovation and the recognition that imitation and refinement through imitation are both necessary to invention itself and the very lifeblood of a competitive economy." *Bonito Boats, Inc. v. Thunder Craft Boats, Inc.,* 489 U.S. 141, 146, 109 S. Ct. 971, 103 L. Ed. 2d 118 [9 USPQ2d 1847] (1989).

Removal of existent knowledge from the public domain is a persistent danger in the expansion of patent monopolies and, for that reason, informs courts' understanding of Congress' patent power to a considerable degree. *See Forbro Design Corp. v. Raytheon*

Co., 532 F.2d 758, 761 [190 USPQ 49] (1st Cir. 1976). That danger, however, is not lurking within the retroactive expansion of copyrights; copyrights restrict the use of expressions but not of ideas themselves. *Feist Publications, Inc.*, 499 U.S. at 349-350 ("[C]opyright assures authors the right to their original expression, but encourages others to build freely upon the ideas and information conveyed by a work."). For that reason, as demonstrated below, the history of patent regulation provides an outer limit for my analysis. It is unlikely that the public has a greater interest in copyrightable works than it does in patentable ones. However, the patent cases do not resolve the question before me.

Similarly, I need not consider the implications of the instances, cited by the Government, in which Congress has restored to individual inventors patent protection that had, for various reasons, lapsed. Though those statutes certainly make the Government's view more plausible, that they had only specific application renders them unhelpful in this case.

B. Historical analysis

1. The 1790 Copyright Act

The first occasion on which Congress purportedly removed ownership of copyrightable materials from the public domain was with passage of the Copyright Act of 1790, 1 Stat. 124 ("1790 Act"). By the 1790 Act, Congress established the terms by which authors would hold copyrights in their works, both previously

written and to be created in the future. The 1790 Act stated, *inter alia,*

> Section 1. Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That from and after the passing of this act, the author and authors of any map, chart, book, or books already printed within these United States, being a citizen or citizens thereof, or resident within the same, his or their executors, administrators or assigns, who hath or have not transferred to any other person the copyright . . . ; and any other person . . . who hath or have purchase or legally acquired the copyright . . . , in order to print, reprint, publish or vend the same, shall have the sole right and liberty of printing, reprinting, publishing and vending such [works] for the term of fourteen years from the recording the title thereof . . . : And that the author and authors of any [works] already made and composed, and not printed or published, or that shall hereafter be made and composed, . . . shall have the sole right of printing, reprinting, publishing and vending such [works] for the like term of fourteen years from the time of recording the title thereof. . . . And if, at the expiration of the said term, the author or authors, or any of them, be living, and a citizen or citizens of these United States, or resident therein, the same exclusive right shall be continued to him or them . . . for the further term of fourteen years: Provided, he or they shall cause

> the title thereof to be a second time recorded and published . . . and that within six months before the expiration of the first term of fourteen years aforesaid.

Act of May 31, 1790, ch. 15, § 1, 1 Stat. 124. Sections 2 and 6 of the 1790 Act provided a cause of action and penalties for infringement. Sections 3 and 4 set forth the procedural requirements for securing a copyright.

Two interpretations of the 1790 Act are plausible. One might conclude either 1) that Congress in 1790 established uniform standards for pre-existing copyright protection within the several states or 2) that Congress was, by vesting copyright in authors, creating a right that had no parallel at common law. By the former interpretation, which is commended by Congress' acknowledgment in the 1790 Act that copyrights might previously have been transferred, the Act may be distinguished from URAA Section 514. By the latter interpretation, which the *Luck's Music* court adopted and the Government presses here, one might further conclude that Congress was in 1790 removing exclusive use of works from the public domain.

The Government points out that only ten of the thirteen states had effective copyright statutes in 1790. Thus, it argues, unless a common-law copyright existed at that time, I must conclude that Congress in 1790 deliberately removed works from the public domain in at least three states – Delaware, Maryland, and Pennsylvania. The *Luck's Music* court adopted

this reasoning. *Luck's Music,* 321 F.Supp. 2d at 113-114.

The question of the common-law copyright's extent for centuries occupied many capable jurists, including the great William Blackstone. I cannot identify the boundaries of that right with certainty. However, because a slight expansion of then-existing copyright law in 1790 would be sufficient to support the Government's argument on this point, I need not probe the full depths of the uncertain history.

i. *Wheaton v. Peters*

In support of its holding, the *Luck's Music* court invoked *Wheaton v. Peters*, 33 U.S. 591, *8* Peters 591, 8 L. Ed. 1055 (1834), which it deemed dispositive. A close reading of *Wheaton,* however, reveals that the Court did not there decide the question whether the common law of Pennsylvania provided a copyright before passage of the 1790 Act but rather whether the copyright was before that time perpetual. After considering the history of common-law copyright in Great Britain and its abrogation by the Statute of 8 Anne, the Court stated,

> From the above authorities, and others which might be referred to if time permitted, the law appears to be well settled in England, that, since the statute of 8 Anne, the literary property of an author in his works can only be asserted under the statute. And that, notwithstanding the opinion of a majority of the judges in the great case of Miller v.

> Taylor was in favour of the common law right before the statute, it is still considered, in England, as a question by no means free from doubt.
>
> That an author, at common law, has a property in his manuscript, and may obtain redress against any one who deprives him of it, or by improperly obtaining a copy endeavours to realise a profit by its publication, cannot be doubted; but this is a very different right from that which asserts a perpetual and exclusive property in the future publication of the work, after the author shall have published it to the world.

Id. at 657.

So, the *Wheaton* Court did not doubt that an author had an exclusive common law property right in his creation. Rather, the question there was whether the exclusivity of right had been perpetual. In other words, the Court was faced with ascertaining the boundaries of the common-law copyright in Pennsylvania prior to passage of the 1790 Act. This understanding is confirmed by the Court's phrasing and rephrasing of the question then before it: does an author, by the common law of Pennsylvania, have a perpetual property in the copyright of his works. *See Id.* at 657, 659.

The *Luck's Music* court, and the Government here, have both invoked the *Wheaton* Court's reasoning from the language of the IP clause. The *Wheaton* Court read the phrase "by securing," which is found

both in the IP Clause and in the 1790 Act, to mean that the Constitution authorized Congress to create a new right, not to protect one already in existence under the common law. *Ibid* at 661. The *Wheaton* Court found support for its reading from the fact that the IP Clause refers to inventors as well as authors and that "it has never been pretended, by any one, either in this country or in England, that an inventor has a perpetual right, at common law, to sell the thing invented." *Id.* The Court also reasoned that Congress' provision in the 1790 Act that the author of a work "shall have the sole right and liberty of printing" would have been mere surplusage had the right for which the complainant was advocating existed at common law. *Id.* From these surveys the *Wheaton* Court concluded, "Congress, then, by this act, instead of sanctioning an existing right, as contended for, created it." *Id.*

As is clear from the *Wheaton* Court's reasoning, the "right" that Congress created was a copyright of a particular length – fourteen years renewable once – not a general property right in one's own work. So, *Wheaton* does not stand for the proposition that the Government suggests; the *Wheaton* Court doubted the extent and duration of an author's exclusive rights in his intellectual property at common law but not the existence of those rights.

This reading of *Wheaton* is bolstered by additional considerations. The Supreme Court has since stated that, prior to 1790, the common law recognized that authors had a protectable proprietary interest in

their own handiwork. *Mazer,* 347 U.S. at 214-215. *See also Wright v. Warner Books, Inc.,* 953 F.2d 731, 742 [20 USPQ2d 1892] (2d Cir. 1991) (Van Graafeiland, J., concurring). Though Congress did not in 1790 describe the contours of pre-existing copyrights, it acknowledged that some of those copyrights might previously have been transferred between parties. Act of May 31, 1790, ch. 15, § 1, 1 Stat. 124. Furthermore, in 1909, Congress explicitly recognized the persistence at that time of authors' common-law rights in their unpublished works. *Shoptalk, Ltd. v. Concorde-New Horizons' Corp.,* 168 F.3d 586, 590 [49 USPQ2d 1599] (2d Cir. 1999), *cert. denied,* 527 U.S. 1038, 119 S. Ct. 2399, 144 L. Ed. 2d 798 (1999). So, the question is not whether a common-law of copyright existed prior to 1790 but rather the extent to which the 1790 Act abrogated that common law right.

ii. Abrogation of the common law right

As the Supreme Court has repeatedly stated, "In this country the right of an author to multiply copies of books, maps, etc., after publication, is the creation of the Federal statutes. These statutes did not provide for the continuation of the common-law right, but, under constitutional authority, created a new right." *Globe Newspaper Co. v. Walker,* 210 U.S. 356, 362, 28 S. Ct. 726, 52 L. Ed. 1096 (1908). *See also Caliga v. Inter Ocean Newspaper Co.,* 215 U.S. 182, 188, 30 S. Ct. 38, 54 L. Ed. 150 (1909); *Fox Film Corp. v. Doyal,* 286 U.S. 123, 127, 52 S. Ct. 546, 76 L. Ed.

1010 (1932). The common-law right that Congress in 1790 abrogated was not contiguous with what Congress then created. *Mazer*, 347 U.S. at 214-215.

As suggested above, the common law of copyright in England was a matter of some uncertainty at the time of the American founding. *American Tobacco Co. v. Werckmeister*, 207 U.S. 284, 291, 28 S. Ct. 72, 52 L. Ed. 208 (1907). Disputes concerning whether copyrights were perpetual at English common law survived passage of the Statute of 8 Anne in 1710. The landmark case of *Millar v. Taylor*, 4 Burr. 2303, in 1769, a mere seven years before the signing of the Declaration of Independence, did little to resolve those disputes. While a majority of judges took the view that a perpetual right had existed at common law, a different majority thought that the common-law remedy was no longer available after the Statute of 8 Anne. Not until 1774, in *Donaldson v. Becket*, 4 Burr. 2408, did the House of Lords rule definitively that copyrights were limited in their terms because the Statute of 8 Anne had extinguished the perpetual common-law right.

Blackstone in his famous treatise set out the arguments both for and against the existence of a perpetual common law copyright. On one hand, it was argued by many, "When a man by the exertion of his rational powers has produced an original work, he seems to have clearly a right to dispose of that identical work as he pleases, and any attempt to vary the disposition he has made of it, appears to be an invasion of that right." 2 William Blackstone,

Commentaries on the Laws of England, 405-406 (1771). Blackstone continued,

> On the other hand it is urged, that though the exclusive property of the manuscript, and all which it contains, undoubtedly belongs to the author, before it is printed or published; yet from the instant of publication, the exclusive right of an author or his assigns to the sole communication of his ideas immediately vanishes and evaporates; as being a right of too subtle and unsubstantial a nature to become the subject of property at the common law, and only capable of being guarded by positive statutes and special provisions of the magistrate.

Id. at 406.

Meanwhile, in the nascent United States tied together by the Articles of Confederation, the Founders generally expressed antipathy to the establishment of monopolies by law. *See generally, Graham,* 383 U.S. at 7-10. This led some to doubt the legal protection afforded to creators of intellectual property in the United States. At the recommendation of Congress, and the urging of Noah Webster and other men of learning, twelve states followed England's example and enacted copyright legislation. Ten of those statutes took effect.

Each state legislature that enacted a copyright statute between 1783 and 1786 stated the ends to which it acted. Connecticut passed its "Act for the encouragement of literature and genius" so "that

every author should be secured in receiving the profits that may arise from the sale of his works, and such security may encourage men of learning and genius to publish their writings. . . ." Acts and Laws of the State of Connecticut, In America [Compiled by Roger Sherman and Richard Law], 133-134 (New London, Timothy Green 1784). Massachusetts adopted "An Act for the purpose of securing to authors the exclusive right and benefit of publishing their literary productions, for twenty-one years," in order "to encourage learned and ingenious persons to write useful books for the benefit of mankind." Acts and Laws of the Commonwealth of Massachusetts, 236 (Boston, B. Edes & Sons 1781-1783). The consideration of the Maryland legislature was stated, "Whereas printers, booksellers, and other persons may take the liberty of printing, reprinting, and publishing, or causing to be printed, reprinted, and published, books and other writings, without the consent of the authors or proprietors of such books and writings, to their great injury: For preventing therefore such practices, and for the encouragement of learned men." Laws of Maryland, made and passed, at a session of assembly, begun and held at the City of Annapolis on Monday the 21st of April, 1783, chapter 34 § I (Annapolis, F. Green, 1783). New Jersey adopted "An Act for the promotion and encouragement of literature," so "that men of learning who devote their time and talents to the preparing treatises for publication, should have the profits that may arise from the sale of their works secured them." Acts of the seventh general assembly of the State of

New Jersey, at a session begun at Trenton, on the 22d day of October, 1782, and continued by adjournments, being the second sitting, 47 (Trenton, Isaac Collins, 1783). New Hampshire enacted its statute "for the encouragement of literature and genius, and for securing to authors the exclusive right and benefit of publishing their literary productions, for twenty years. The Perpetual Laws of the State of New-Hampshire, from July, 1776, to the session in December, 1788, continued into 1789, 161-162 (Portsmouth, J. Melcher, 1789). The Rhode Island legislature acted "for the purpose of securing to authors the exclusive right and benefit of publishing their literary productions, for twenty-on [sic] years." December, 1783, At the general assembly of the governor and company of the State of Rhode-Island and Providence-Plantations, begun and holden at East-Greenwich on the 4th Monday of December, 1783, 6-7 (Providence, J. Carter, 1783). Pennsylvania created a fourteen-year copyright, at Congress' recommendation, because "printers, book-sellers, and other persons have heretofore frequently taken the liberty of printing, reprinting, and publishing, or causing to be reprinted and published, books and other writings without the consent of the author or proprietors of such books and writings, to their very great detriment and the damage of their families." Laws enacted in the second sitting of the eighth general assembly of the Commonwealth of Pennsylvania, which commenced the 13th day of Jan., 1784, 306-308 § II (Philadelphia, T. Bradford, 1784). South Carolina adopted "An Act for the encouragement of arts and sciences." Acts,

Ordinances, and Resolves of the General Assembly of the State of South Carolina, passed in the year 1784, 49-51 (Charleston, J. Miller, 1984). Virginia's purpose was to secure for "authors of literary works and exclusive property therein for a limited time." Acts passed at a General Assembly of the Commonwealth of Virginia, Begun and held in Richmond, on the 17th day of October, 1785, 8-9 (Richmond, J. Dunlap & James Hayes, 1785). North Carolina announced its consideration, "Whereas nothing is more strictly a man's own than the fruit of his study, and it is proper that men should be encouraged to pursue useful knowledge by the hope of reward; and as the security of literary property must greatly tend to encourage genius, to promote useful discoveries, and to the general extension of arts and commerce." Laws of the State of North-Carolina, Published, according to Act of Assembly, by James Iredell, 563-564 (Edenton, Hodge & Wills, 1791). Georgia appealed to "the principles of natural equity and justice," which "require that every author should be secured in receiving the profits that may arise from the sale of his works." A Digest of the Laws of the State of Georgia, From its first establishment as a British province down to the year 1798, inclusive, By Robert and George Watkins, 323-325 (Philadelphia, R. Aitken, 1800). The New York legislature likewise believed that "principles of natural equity and justice" demand "that every author should be secured in receiving the profits that may arise from the sale of his or her works." Laws of the State of New-York, passed by the

legislature of said State at their ninth session, 99-100 (New York, Samuel and John Loudon, 1786).

From this review it is apparent that the twelve states that enacted copyright legislation viewed the then-existent common law copyright protection as either inadequate or insufficiently defined to provide authors with the desired protection from infringement; each sought further to protect authors from infringement and to establish incentives for creation. This commends the conclusion that the states adopted the latter view articulated by Blackstone – the common-law copyright was extinguished at first publication and thereafter must have been preserved by statute, if at all.

Several courts in states that existed before 1790 have subsequently confirmed that common-law copyrights vested in authors at the creation of works but were extinguished at the time of first publication. *Hughes Tool Co. v. Fawcett Publications, Inc.*, 315 A.2d 577, 580 [181 USPQ 525] (Del. Supr. 1974), *aff'd*, 350 A.2d 341 (Del. 1975); *Wright v. Tidmore*, 430 S.E.2d 72, 73 (Ga. App. 1993); *Edgar H. Wood Associates, Inc. v. Skene*, 197 N.E.2d 886, 889 [141 USPQ 454] (Mass. 1964), *quoting Tompkins v. Halleck*, 133 Mass. 32, 35 (1882); *Haskins v. Ryan*, 64 A. 436, 437 (N.J. Ch. 1906), *aff'd*, 73 A. 1118 (N.J. Err. & App. 1909); *Pushman v. New York Graphic Soc.*, 39 N.E.2d 249, 250-251 (N.Y. 1942); and *Waring v. WDAS Broadcasting Station, Inc.*, 27 Pa. D. & C. 297, 307-308 (Pa. Com. Pl. 1936), *aff'd*, 194 A. 631 (Pa. 1937).

The Supreme Court has also summarized the distinction between the common-law right and the federal statutory right that followed.

> At common law, the exclusive right to copy existed in the author until he permitted a general publication. Thus, when a book was published in print, the owner's common-law right was lost. At common law an author had a property in his manuscript, and might have an action against anyone who undertook to publish it without authority. The statute created a new property right, giving to the author, after publication, the exclusive right to multiply copies for a limited period. This statutory right is obtained in a certain way and by the performance of certain acts which the statute points out. That is, the author, having complied with the statute, and given up his common-law right of exclusive duplication prior to general publication, obtained by the method pointed out in the statute an exclusive right to multiply copies and publish the same for the term of years named in the statute. *Caliga,* 215 U.S. at 188.

As the *Caliga* Court recognized, the common law of copyrights protected an author's interest prior to publication. *See also, Shoptalk, Ltd.*, 168 F.3d at 590. "The common law recognize[d] three ways of exposing a work to the public: exhibition or performance, limited publication, and general publication. Of these, only general publication result[ed] in loss of the common-law copyright by the creator." *Burke v. National Broadcasting Co.*, 598 F.2d 688, 691 [202 USPQ 531] (1st Cir. 1979), *cert. denied*, 444 U.S. 869,

100 S. Ct. 144, 62 L. Ed. 2d 93 (1979). A general publication is "such a dissemination of the work of art itself among the public as to justify the belief that it took place with the intention of rendering such work common property." *American Tobacco Co.*, 207 U.S. at 299-300. It "occurs when a work is made available to members of the public at large without regard to who they are or what they propose to do with it." *Burke*, 598 F.2d at 691.

It might be speculated that the boundaries of the common-law right developed *in response to* the 1790 Act; protection between creation and general publication was omitted from the 1790 Act and was thus singularly within the purview of the states because it was not then preempted. However, nothing indicates that the common-law copyright was trimmed to accommodate the 1790 Act and, as set forth above, the more reasonable inference is that Congress and the legislatures of twelve states thought the common-law protections insufficient.

From all of the available authorities, it is reasonable to conclude that Congress in 1790 anticipated the removal of some works from the public domain; those authors who had lost exclusive rights in their creations by general publication at common law might have obtained copyrights pursuant to the 1790 Act. The First Congress evidently determined that such a practice was constitutionally permissible. As the Government points out, that Congress' understanding of the IP Clause is entitled to considerable deference. *See Myers v. United States*, 272 U.S. 52,

175, 47 S. Ct. 21, 71 L. Ed. 160 (1926). "The construction placed upon the constitution by the first act of 1790 . . . by the men who were contemporary with its formation, many of whom were members of the convention which framed it, is . . . entitled to very great weight." *Burrow-Giles Lithographic Co. v. Sarony*, 111 U.S. 53, 57, 4 S. Ct. 279, 28 L. Ed. 349 (1884).

2. The 1832 Patent Act

In 1832, Congress extended patent protection to works that had passed into the public domain as a result of inventors' inadvertent failures to comply with legal formalities. An Act concerning patents for useful inventions, 4 Stat. 559 (July 3, 1832) ("1832 Patent Act"). The 1832 Patent Act provided, *inter alia*,

> And be it further enacted, That wherever any patent which has been heretofore, or shall be hereafter, granted to any inventor . . . shall be invalid or inoperative by reason that any of the terms or conditions prescribed in the third section of the [Patent Act of February 21, 1793], have not, by inadvertence, accident, or mistake, and without any fraudulent or deceptive intention, been complied with on the part of the said inventor, it shall be lawful for the Secretary of State, upon the surrender to him of such patent, to cause a new patent to be granted to the said inventor for the same invention for the residue of the period then unexpired, for which

> the original patent was granted, upon his compliance with the terms and conditions prescribed in the said third section of the said act.

4 Stat. at 559, § 3.

The Government asserts that the mechanics and effects of the 1832 Patent Act are indistinguishable from those of URAA Section 514. The Government unnecessarily overstates its case; the distinctions between patent and copyright analyses under the IP Clause actually give the 1832 Act stronger precedential effect here than it would have if the concerns were identical. The Supreme Court has explained the two fundamental differences in the means by which patents and copyrights respectively further the objectives of the IP Clause.

> [P]atents and copyrights do not entail the same exchange, and . . . our references to a *quid pro quo* typically appear in the patent context. This is understandable, given that immediate disclosure is not the objective of, but is *exacted from,* the patentee. It is the price paid for the exclusivity secured. For the author seeking copyright protection, in contrast, disclosure is the desired objective, not something exacted from the author in exchange for the copyright. Indeed, since the 1976 Act, copyright has run from creation, not publication.
>
> Further distinguishing the two kinds of intellectual property, copyright gives the holder no monopoly on any knowledge. A reader of

> an author's writing may make full use of any fact or idea she acquires from her reading. The grant of a patent, on the other hand, does prevent full use by others of the inventor's knowledge.

Eldred, 537 U.S. at 216-217 (citations omitted). In both of those distinctions it can be observed that copyright protection aids the dissemination of knowledge – the objective of the IP Clause – in ways that patent monopolies do not; while copyrights protect the expressions of ideas and facts, patents protect the ideas and facts themselves. For that reason, expansion of the copyright does not impede the progress of science and the useful arts to the extent that expansion of the patent might. Congress did not in 1832 perceive a danger in expanding patent rights retroactively. It presumably would have seen no cause for alarm at enforcement of URAA, which will have a comparatively negligible deleterious effect upon the progress of science and the useful arts.

The plaintiffs dispute that Congress by the 1832 Patent Act restored protection to works that were in the public domain. They argue that the effect of the Act was merely to provide procedural redress for inventors who submitted patent applications with deficient specifications and that the integrity of the resulting patents would not, in those cases, have been suspect. That creative interpretation of the 1832 Patent Act ignores the phrase, "shall be invalid or inoperative," from which it is clear that Congress

intended to restore patent protection in cases where the invention had passed into the public domain.

3. The 1919 and 1941 Copyright Acts

In 1919, and again in 1941, Congress authorized the President to restore copyright protection to foreign authors of certain works published during World Wars I and II, respectively. An Act to amend sections 8 and 21 of the Copyright Act of 1909, 41 Stat. 368-369 (December 18, 1919) ("1919 Act"); An Act to amend section 8 of the Copyright Act of 1909, 55 Stat. 732 (September 25, 1941) ("1941 Act"). Both the 1919 and 1941 Acts amended Section 8 of the Copyright Act of 1909, which dealt with copyrights for foreign authors. *See* An Act To amend and consolidate the Acts respecting copyright, 35 Stat. 1077, § 8 (1909) ("1909 Act").

The 1919 Act added, *inter alia,*

> . . . that all works made the subject of copyright by the laws of the United States first produced or published abroad after August 1, 1914, and before the date of the President's proclamation of peace, of which the authors or proprietors are citizens or subjects of any foreign State or nation granting similar protection for works by citizens of the United States, the existence of which shall be determined by a copyright proclamation issued by the President of the United States, shall be entitled to the protection conferred by the copyright laws of the United States from and

> after the accomplishment, before the expiration of fifteen months after the date of the President's proclamation of peace, of the conditions and formalities prescribed with respect to such works by the copyright laws of the United States: Provided further, that nothing herein contained shall be construed to deprive any person of any right which he may have acquired by the republication of such foreign work in the United States prior to the approval of this Act.

41 Stat. at 369, § 8. The 1941 Act added, *inter alia*,

> Provided, That whenever the President shall find that the authors, copyright owners, or proprietors of works first published or produced abroad and subject to copyright or to renewal of copyright under the laws of the United States, including works subject to ad interim copyright [under Section 21 of the 1909 Act], are or may have been temporarily unable to comply with the conditions and formalities prescribed with respect to such works by the copyright laws of the United States, because of the disruption or suspension of facilities essential for such compliance, he may by proclamation grant such extension of time as he may deem appropriate for the fulfillment of such conditions or formalities by authors, copyright owners, or proprietors who are citizens of the United States or who are nationals of countries which accord substantially equal treatment in this respect to authors, copyright owners, or proprietors who are citizens of the United

> States: Provided further, That no liability shall attach under the Copyright Act for lawful uses made or acts done prior to the effective date of such proclamation in connection with such works, or in respect to the continuance for one year subsequent to such date of any business undertaking or enterprise lawfully undertaken prior to such date involving expenditure or contractual obligation in connection with the exploitation, production, reproduction, circulation, or performance of any such work.

55 Stat. at 732, § 8.

Exercising their authority under the 1919 and 1941 Acts, Presidents Wilson, Harding, F. Roosevelt, Truman, Eisenhower, and L. Johnson each issued proclamations restoring copyright protection to works that had passed into the public domain. 41 Stat. 1790 (1920); 42 Stat. 2271-2278 (1922); 3 C.F.R. § 2608 (1944); 3 C.F.R. § 2722 (1947); 2 C.F.R. § 2729 (1947); 3 C.F.R. § 2683 (1949); 3 C.F.R. § 2953 (1951); 3 C.F.R. § 3353; 3 C.F.R. § 3792 (1967).

The plaintiffs argue that Congress did not in 1919 or 1941 express an intention to amend the prohibition, found in Section 7 of the 1909 Act, against copyrighting materials in the public domain. They argue that the Government's interpretation of the 1919 and 1941 Acts runs up against Section 7 of the 1909 Act, which they read as a prohibition against retroactive restoration of copyright. They remind me that I must regard Section 7 of the 1909

Act as persistent absent a clear indication of amendment in the 1919 and 1941 Acts. *See J.E.M. Ag Supply, Inc. v. Pioneer Hi-Bred Int'l, Inc.*, 534 U.S. 124, 143-144, 122 S. Ct. 593, 151 L. Ed. 2d 508 [60 USPQ2d 1865] (2001).

The plaintiffs perceive a conflict where none exists. "[W]hen two statutes are capable of co-existence, it is the duty of the courts, absent a clearly expressed congressional intention to the contrary, to regard each as effective." *Ibid.* Section 7 of the 1909 Act did not prohibit Congress from restoring copyright protection after it had been lost. It provided:

> [t]hat no copyright shall subsist in the original text of any work which is in the public domain, or in any work which was published in this country or any foreign country prior to the going into effect of this Act and has not been already copyrighted in the United States, or in any publication of the United States Government, or any reprint, in whole or in part, thereof. . . . 35 Stat. at 1077. This was merely a codification of the general constitutionally-mandated rule of originality – no author could obtain a monopoly over expressions that already were in the public domain or had previously been published without being copyrighted. Nothing in this provision prohibited Congress from *restoring* copyright protection to an author who once had enjoyed it.

The plaintiffs' reading of the 1909 Act is untenable for another reason. In both the 1919 and 1941

Acts Congress included protections from liability for those persons who had exploited foreign works during the periods in which those works had been unprotected. 41 Stat. at 369; 55 Stat. at 732. The plaintiffs' reading would render those provisions mere surplusage. Thus conflict with the 1919 and 1941 Acts is avoided. Congress well understood what it was doing in 1919 and 1941; it intended to restore copyright where it had previously lapsed. Nothing in Section 7 of the 1909 Act is inconsistent with that express purpose.

4. Conclusion

On the whole, Congress has historically demonstrated little compunction about removing copyrightable materials from the public domain. That practice, though no doubt in some cases working a hardship upon parties who have exploited public domain materials, does no violence to the principle that the IP Clause is designed to protect. The courts have agreed that the progress of science and the useful arts is impeded slightly, if at all, because ideas remain public property, even while expressions of those ideas are restored to their authors. In light of this unbroken string of authority, I find the dicta on which the plaintiffs rely inapplicable to this case and conclude that Congress acted within its authority.

II. Rational basis

I turn next to the question whether a rational basis underlies URAA Section 514. *See Eldred,* 537 U.S. at 204. "Under the rational basis test, the challenged legislation is presumptively constitutional, and the [plaintiff] bears the 'very difficult burden' of establishing 'that the statute is irrational or arbitrary and that it cannot conceivably further a legitimate governmental interest.'" *Grigsby v. Barnhart,* 294 F.3d 1215, 1220 (10th Cir. 2002), *quoting United States v. Phelps,* 17 F.3d 1334, 1345 (10th Cir. 1994), *cert. denied,* 513 U.S. 844, 115 S. Ct. 135, 130 L. Ed. 2d 77 (1994). Congress' choice "is not subject to courtroom fact-finding and may be based on rational speculation unsupported by evidence or empirical data." *Cordoba v. Massanari,* 256 F.3d 1044, 1049 (10th Cir. 2001), *cert. denied,* 534 U.S. 1131, 122 S. Ct. 1071, 151 L. Ed. 2d 974 (2002).

2 The Government suggests that the United States' compliance with treaties governing intellectual property protection, accomplished through enforcement of URAA Section 514, is in the best interest of American authors; by enforcing the treaties' uniform standards here, the Government can be justified in expecting similar enforcement within other signatory nations. That, it argues, constitutes a rational basis for the provision. *Eldred,* 537 U.S. at 213. The Government's proffered justification need not be Congress' actual rationale. *Powers v. Harris,* 379 F.3d 1208, 1223 (10th Cir. 2004). Nevertheless, Congress' stated reasoning can provide a compelling

rational basis for upholding a statute. That is the case here. As the relevant House Reports demonstrate, Congress passed the URAA in order to bring federal copyright and other laws into conformance with treaties to which Congress had already agreed. H.R. Rep. 103-826(I), 1994 U.S.C.C.A.N. 3773; H.R. Rep. 103-826(II), 1994 U.S.C.C.A.N. 4013; S. Rep. 103-412 (1994). That basis is rationally related to Congress' mandate to promote the progress of science and useful arts.

The House Committee on Ways and Means ("HW&MC") described the URAA as a bill "to implement the Uruguay Round Agreements in U.S. domestic law." H.R. Rep. 103-826(I) at 4. The Uruguay Round Agreements ("URA") were, in the HW&MC's estimation, "vital to our national interest and to economic growth, job creation, and an improved standard of living for all Americans." *Id.* at 16. The HW&MC anticipated that the URA, "by lowering tariff and other barriers to international trade and investment, will lead to increased levels of world and U.S. output, trade, real income, savings, investment, and consumption." *Id.* Most relevant here, the HW&MC stated, "The agreement on intellectual property will dramatically improve protection and enforcement of U.S. intellectual property rights abroad." *Id.* As the House Committee on Energy and Commerce noted, intellectual property had "never before been made subject to a multilateral discipline." H.R. Rep. 103-826(II) at 2.

Adoption and implementation of the URA was not without consequence for United States domestic law. Title V of the URAA, which concerned intellectual property, was but one of many provisions that amended federal law on a wide variety of subjects, and Section 514 was but one of several changes proposed within Title V. Section 514 appears to have generated little controversy during congressional investigation of the URAA's implications; both of the reporting House committees and three of the four reporting Senate committees declined to discuss Title V at all. The Senate Committee on the Judiciary ("SJC") gave Title V only cursory treatment. S. Rep. 103-412 at 224-230.

The SJC's proffered justification for Title V consisted of one sentence. The SJC first explained that the intellectual property portion of the URA "establishes comprehensive standards for the protection of intellectual property and the enforcement of intellectual property rights in WTO member countries." *Ibid* at 224. It identified two "outstanding flaws" in the agreement, neither of which are significant here. *Id.* "Nonetheless," it concluded, "once in force, worldwide intellectual property protection should be significantly improved." *Id.*

The SJC then explained the history behind Section 514.

The legislation includes language to restore copyright protection to certain foreign works from countries that are members of the Berne Convention

or WTO that have fallen into the public domain for reasons other than the normal expiration of their term of protection. The Agreement requires WTO countries to comply with Article 18 of the Berne Convention. While the United States declared its compliance with the Berne Convention in 1989, it never addressed or enacted legislation to implement Article 18 of the Convention. Article 18 requires that the terms of the convention apply to all works that have fallen into the public domain by reasons other than the expiration of its term of protection. (Examples include failure to file a timely renewal application and failure to affix a copyright notice). *Ibid* at 225.

Taken together, the reports of the various congressional committees concerning the URAA lend credence to the Government's view that Congress was here attempting to promote protection of American authors by ensuring compliance with the Berne Convention within our own borders. That constitutionally-permissible end is rationally related to, and constitutes a rational basis for, URAA Section 514.

III. The plaintiffs' constitutional rights

A. First Amendment protection

The plaintiffs argue that their First Amendment speech rights are infringed by the burdens of complying with the copyright protections that the URAA Section 514 has restored to works that they once

freely disseminated. They cannot, of course, sincerely argue that their participation in speech is prohibited; they are free to contract with copyright holders for permission to disseminate the works. Instead, they argue that the barrier to exploitation of the works – the payment of royalties or fees – is too onerous a constraint upon their free expression of ideas.

I see no need to expand upon the settled rule that private censorship via copyright enforcement does not implicate First Amendment concerns. *Nihon Keizai Shimbun, Inc. v. Comline Bus. Data, Inc.*, 166 F.3d 65, 74 [49 USPQ2d 1516] (2d Cir. 1999); *Los Angeles News Service v. Tullo,* 973 F.2d 791, 795 [24 USPQ2d 1026] (9th Cir. 1992); *SunTrust Bank v. Houghton Mifflin Co.,* 268 F.3d 1257, 1263-1264 [60 USPQ2d 1225] (11th Cir. 2001), *reh'g denied*, 275 F.3d 58 (11th Cir. 2001); *Eldred v. Reno,* 239 F.3d at 375.

B. Fifth Amendment due process

The plaintiffs argue that URAA Section 514 poses an unconstitutionally retroactive burden upon them for the purposes of substantive due process review because it restores protection to works that have for varying periods of recent history been unprotected. They cite *Anker Energy Corp. v. Consolidation Coal Co.,* 177 F.3d 161 (3d Cir. 1999), *cert. denied sub nom., Anker Energy Corp. v. UMW Combined Benefit Fund,* 528 U.S. 1003, 120 S. Ct. 496, 145 L. Ed. 2d 383 (1999), in which the Third Circuit stated that

> the "heart of retroactivity analysis is an evaluation of the extent of the burden imposed by a retroactive law in relation to the burdened parties' prior acts" and . . . that "where Congress acts reasonably to redress an injury caused or to enforce an expectation created by a party, it can do so retroactively."

Id. at 173, *quoting Unity Real Estate Co. v. Hudson,* 178 F.3d 649, 671 (3d Cir. 1999), *cert. denied,* 528 U.S. 963, 120 S. Ct. 396, 145 L. Ed. 2d 309 (1999).

1. Retroactivity of Section 514

The Tenth Circuit has explained that my first job is to "determine whether [Section 514] would have retroactive effect, i.e., whether it would impair rights a party possessed when he acted, increase a party's liability for past conduct, or impose new duties with respect to transactions already completed." *Daniels v. United States,* 254 F.3d 1180, 1187 (10th Cir. 2001). I conclude that none of those effects are present here.

The plaintiffs' argument is premised upon a confusion of two distinct concepts. Though URAA Section 514 grants many retroactive benefits to authors, it does not impose retroactive burdens upon the plaintiffs. *Contrast Eastern Enters. v. Apfel,* 524 U.S. 498, 118 S. Ct. 2131, 141 L. Ed. 2d 451, 528-529 (1998). This is because Section 514 does not impose upon the plaintiff's liability for, or new duties as a result of, their past conduct. *Daniels,* 254 F.3d at 1187. Nor does Section 514 impair rights that the

plaintiffs possessed when they acted. *Id.* In short, Section 514 does not alter the legal consequences of the plaintiffs' completed acts. *Eco Mfg. LLC v. Honeywell Int'l, Inc.*, 357 F.3d 649, 652 [69 USPQ2d 1296] (7th Cir. 2003).

The plaintiffs point to the investments that they made in the expectation that they could permissibly exploit the works at issue. The Government does not dispute that the plaintiffs have so acted in reliance upon the works' availability to the public. However, "A statute does not operate 'retrospectively' merely because it is applied in a case arising from conduct antedating the statute's enactment, or upsets expectations based in prior law." *Landgraf v. USI Film Prods.*, 511 U.S. 244, 269, 114 S. Ct. 1483, 128 L. Ed. 2d 229 (1994) (citations omitted). Rather, the court must ask whether the new provision attaches new legal consequences to events completed before its enactment. The conclusion that a particular rule operates 'retroactively' comes at the end of a process of judgment concerning the nature and extent of the change in the law and the degree of connection between the operation of the new rule and a relevant past event. *Id.* at 269-270.

Though the plaintiffs reasonably relied upon the entry of the works at issue into the public domain, any expectations they had of perpetual rights of exploitation could not reasonably have been settled. *Ibid* at 269-270. As established above, Congress has on several occasions throughout its history removed works from the public domain. Any rights that the

plaintiffs acquired in these particular works by virtue of their exploitation of them were thus anything but inviolate. It remained at all times within Congress' authority to rectify the unfairness with which foreign authors were afflicted. *Compare United States v. Real Prop. in Section 9,* 241 F.3d 796, 799 (6th Cir. 2001). As the Supreme Court has noted, "If every time a man relied on existing law in arranging his affairs, he were made secure against any change in legal rules, the whole body of our law would be ossified forever." *Id.* at 269 n.24, *quoting* L. Fuller, The Morality of Law 60 (1964).

2. Rational basis

Even if URAA Section 514 can be said to be retroactive in effect, it does not offend the Fifth Amendment. Because no fundamental right is here implicated, rational-basis review is appropriate. *Usery v. Turner Elkhorn Mining Co.,* 428 U.S. 1, 15-16, 96 S. Ct. 2882, 49 L. Ed. 2d 752 (1976); *Powers,* 379 F.3d at 1214-1215. To satisfy the rational basis test, URAA Section 514 need only be rationally related to a legitimate government purpose in both its prospective and retroactive applications. *Pension Ben. Guaranty Corp. v. R. A. Gray & Co.,* 467 U.S. 717, 730, 104 S. Ct. 2709, 81 L. Ed. 2d 601 (1984).

As set forth above, the Government has established a rational basis for the statute generally. In addition, the Government's proffered interest justifies both prospective and retroactive application of

Section 514 to authors. *See Landgraf*, 511 U.S. at 268 n.21. Congress could rationally have concluded that extension of such protection to foreign authors best served its goal of securing similar adequate protection for American authors.

In any event, URAA Section 514 accords the plaintiffs some relief. It excludes them from its general enforcement provisions, 17 U.S.C. § 104A(d)(1), and grants to them notice rights and a 12-month grace period, § 104A(d)(2), and continued rights of exploitation of derivative works, subject to payment of reasonable royalties, § 104A(d)(3). In these ways, Section 514 strikes a careful balance between the plaintiffs' interests as reliance parties and Congress' express purpose. *See General Motors Corp. v. Romein*, 503 U.S. 181, 112 S. Ct. 1105, 117 L. Ed. 2d 328 (1992).

Accordingly, IT IS ORDERED that

(1) the Government's Motion for Summary Judgment is GRANTED;

(2) the plaintiffs' motion for partial summary judgment is DENIED; and

(3) judgment shall enter for the Government on all claims with costs.

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310 F.Supp.2d 1215

United States District Court,
D. Colorado.

Lawrence GOLAN, Richard Kapp, S.A. Publishing Co., Inc., d/b/a Ess.A.Y Recordings, Symphony of the Canyons, Ron Hall, d/b/a Festival Films, and John McDonough, d/b/a Timeless Video Alternatives International, Plaintiffs,

v.

John ASHCROFT, in his official capacity as Attorney General of the United States, Defendant.

No. CIV.A.01-B-1854(BNB).

March 15, 2004.

Lawrence Lessig, Esq., Edward Lee, Esq., Stanford, CA, Jonathan L. Zittrain, Esq., Charles R. Nesson, Esq., Cambridge, MA, for Plaintiffs.

Joshua Z. Rabinovitz, Vincent M. Garvey, Assistant U.S. Attorneys, Washington, DC, for Defendants.

ORDER

BABCOCK, Chief Judge.

This case is before me on Defendant, John Ashcroft's Renewed Motion to Dismiss, filed pursuant to Fed.R.Civ.P. 12(b)(6), on the grounds that Plaintiffs' First Amended Complaint fails to state claims upon which relief may be granted.

Oral argument would not materially assist in the determination of the motion. After consideration of the motions and the case file, I GRANT Defendant's

Renewed Motion to Dismiss as to Count 4 of Plaintiffs' Amended Complaint, and DENY the motion as to Plaintiffs' remaining Counts 1, 2 and 3.

I. Background

Plaintiffs, who consist of artists or purveyors of art material, filed a complaint seeking declaratory and injunctive relief regarding two "recent expansions" of the Copyright Act on the basis they are unconstitutional. Specifically, Plaintiffs assert that the Sonny Bono Copyright Term Extension Act of 1998 (the "CTEA"), Pub.L. No. 105-298 (*amending* 17 U.S.C. §§ 301-304), and § 514 of the Uruguary Round Agreements Act (the "URAA"), Pub.L. No. 103-465 (*amending* 17 U.S.C. §§ 104A, 109(a)), unconstitutionally remove from, or staunch the flow of, literary and artistic works into the public domain.

After Plaintiffs filed their initial Complaint, and Defendant filed a responding Motion to Dismiss, the United States Supreme Court granted certiorari to review *Eldred v. Reno,* 239 F.3d 372 (D.C.Cir.2001), which addressed the constitutionality of the CTEA. As a result, and over Plaintiffs' objection, I stayed these proceedings until the Supreme Court's decision in that case was announced.

On January 15, 2003, the Supreme Court announced *Eldred v. Ashcroft,* 537 U.S. 186, 123 S.Ct. 769, 154 L.Ed.2d 683 (2003). In response to that decision, Plaintiffs filed a First Amended Complaint on April 16, 2003. Defendant then filed the Renewed

Fed.R.Civ.P. 12(b)(6) Motion to Dismiss, at issue here, on April 30, 2003.

II. Analysis

Under the Copyright and Patent Clause of the United State Constitution, Congress is granted the power and the limitation "to promote the Progress of Science and useful Arts, by securing for limited Times to Authors and Inventors the exclusive Right to their respective Writings and Discoveries." U.S. Const. Art. I § 8, cl. 8.

The CTEA, passed in 1998, enlarged the existing copyright term for a period of twenty years. For example, it expanded the basic copyright term to the life of the author, plus seventy years, as opposed to the fifty year time period that was in place previously. *See* 17 U.S.C. § 302(a).

Section 514 of the URAA restores copyright protection to original works of foreign origin whose authors lost their copyrights for failure to comply with specific U.S. copyright formalities that have since been repealed. *See* 17 U.S.C. § 104A(h)(6)(C)(I). Copyrights restored by the URAA are reconstituted for the remainder of the period that should have been granted had the work been protected from its inception. *See* 17 U.S.C. § 104A(a)(1)(B).

Under Fed.R.Civ.P. 12(b)(6), a district court may dismiss a complaint for failure to state a claim upon which relief can be granted if it appears beyond doubt

that the plaintiff can plead no set of facts in support of his claim which would entitle him to relief. *See Conley v. Gibson,* 355 U.S. 41, 45-46, 78 S.Ct. 99, 2 L.Ed.2d 80 (1957). A claim may be dismissed either because it asserts a legal theory not cognizable as a matter of law or because the claim fails to allege sufficient facts to support a cognizable legal claim. Fed.R.Civ.P. 12(b)(6); *Morey v. Miano,* 141 F.Supp.2d 1061, 1062 (D.N.M., 2001).

In evaluating a Fed.R.Civ.P. 12(b)(6) motion to dismiss, "all wellpleaded factual allegations in the amended complaint are accepted as true and viewed in the light most favorable to the nonmoving party." *Wildwood Child & Adult Care Food Program, Inc. v. Colorado Dept. of Public Health and Environment,* 122 F.Supp.2d 1167, 1170 (D.Colo.2000).

A. The CTEA Claim [Count 4]

Count 4 of Plaintiffs' Amended Complaint alleges that, as a result of the CTEA, the average copyright term is now 95 years – a term that is "staggeringly long" – causing harm to Plaintiffs, who relied on the previous copyright terms, as well as to the public. Plaintiffs contend that the requirement in the Copyright and Patent Clause that copyright terms be "limited" is more restrictive than a requirement that the term be "fixed," and that the CTEA's expansion results in a period of protection that grants the author 99.8% of its economic value, and only .2% of its value to the public. Plaintiffs further argue that

the framers of the Constitution would have viewed the life-plus-70-year term as "effectively or virtually perpetual" in light of the economic realities and the fact that the term "limited" is more restrictive than that the term "fixed."

However, I agree with Defendant that Plaintiffs' CTEA claim is foreclosed by the Supreme Court's holding in *Eldred v. Ashcroft, supra.* In *Eldred,* the Supreme Court ruled, on the Petitioners' claim that Congress exceeded its authority under the Copyright and Patent clause, that the CTEA did not violate the constitutional requirement that copyrights endure for "limited Times." Although the Petitioners in *Eldred* did "not challenge the 'life-plus-70-years' timespan itself," *id.* 537 U.S. at 193, 123 S.Ct. 769, the Supreme Court approved the Court of Appeals determination – when addressing the argument that Congress evaded the "limited Times" constraint by creating effectively perpetual copyrights through repeated extensions – that "a regime of perpetual copyrights 'clearly is not the situation before us.'" *Id.* at 209, 123 S.Ct. 769 *(quoting Eldred v. Reno,* 239 F.3d at 379). In support of this determination, the Supreme Court noted that Copyright Extension Acts in 1831, 1909, and 1976, "did not create perpetual copyrights, and neither does the CTEA." *Id. at* 210, 123 S.Ct. 769.

Furthermore, the Supreme Court specifically rejected the argument made by Justice Breyer in his dissent, and advanced by Plaintiffs here, that the "economic effect" of the CTEA, which allegedly creates a copyright term worth 99.8% of the value of a

perpetual copyright, makes the term "virtually perpetual." *Id.* at 209 n. 16, 123 S.Ct. 769. The Supreme Court indicated that "[i]t is doubtful that those architects of our Nation, in framing the 'limited Times' prescription, thought in terms of the calculator rather than the calendar." *Id.*

The Supreme Court in *Eldred v. Ashcroft* held that the extension of the copyright term in the CTEA was constitutional, in that it was not effectively or virtually perpetual, despite the fact that the Petitioners there did not directly challenge the time-span provided for in the CTEA. Consequently, I conclude that Plaintiff's legal arguments challenging to the time limitation in the CTEA is foreclosed by the *Eldred* decision and, as such, Plaintiffs have asserted a legal theory not cognizable as a matter of law which should be dismissed pursuant to Fed.R.Civ.P. 12(b)(6).

B. The § 514 URAA Claims

1. Violation of the Copyright and Patent Clause [Count 1]

Plaintiffs' Amended Complaint also alleges that § 514 of the URAA violates the Copyright and Patent Clause because, they assert, once a work goes into the public domain Congress cannot remove it from free use by granting a restored copyright. Plaintiffs' argument is premised on the requirement in the Copyright and Patent Clause that copyright laws "promote the Progress of Science and useful Arts" and, as such, the removal of copyrights from the public domain is

unconstitutional in that it does not promote such progress.

In his motion to dismiss, Defendant first argues that Plaintiffs' claim here is not legally cognizable because Congress has the power to restore protection to public domain works pursuant to *McClurg v. Kingsland,* 42 U.S. 202, 1 How. 202, 11 L.Ed. 102 (1843). In that case, James Harley invented a mode of casting chilled rollers in October of 1834. At the time, he was employed in the Defendant's foundry and he allowed the Defendant employer to use his invention until January or February of 1835, when he left its employ. Harvey then applied for a patent and assigned it to his new employer in February of 1835. However, his ex-employer continued to use the invention until the new employer brought suit in October 1835.

As explained in *Eldred,* the *McClurg* court determined that Harvey was "unprotected under the law in force when the patent issued because he had allowed his [ex-]employer briefly to practice the invention before he obtained the patent. Only upon enactment, two years later, of an exemption for such allowances did the patent become valid, retroactive to the time it issued." *Eldred,* 537 U.S. at 186. The *McClurg* Court upheld retroactive application of the new amended laws "for though they may be retrospective in their operation, that is not a sound objection to their validity." *McClurg,* 42 U.S. at 206, 42 U.S. 202.

Contrary to Defendant's assertion, *McClurg* did not address the use of the invention after its creation and prior to Harvey's patent application, at which point Defendant asserts it was in the public domain. Therefore, *McClurg* is distinguishable because it only upheld the protection of an existing patent, rather than gave a patent to an invention that was first in the public domain. *See Eldred v. Ashcroft,* 537 U.S. at 203 n. 9, 123 S.Ct. 769 ("[i]t is thus inescapably plain that *McClurg* upheld the expanded patent application to an existing patent").

Plaintiffs, on the other hand, rely upon the Supreme Court's decision in *Graham v. John Deere Co.,* 383 U.S. 1, 6, 86 S.Ct. 684, 15 L.Ed.2d 545 (1966), which held that "Congress may not authorize the issuance of patents whose effects are to remove existent knowledge from the public domain, or to restrict free access to materials already available." However, the rule in *Graham v. John Deere* has been deemed to be limited only to applications for patents. *See Alameda Films SA de CV v. Authors Rights Restoration Corp. Inc.,* 331 F.3d 472, 483 n. 33 (5th Cir.2003) (rejecting the assertion that *Graham* is applies to copyright laws because "[p]atents, however, are not copyrights, and thus patent cases are inapposite to copyright cases"); *but see Eldred,* 239 F.3d at 377 (district case) (indicating that *Graham* "would indeed preclude Congress from authorizing under [the Patent and Copyright] Clause a copyright to a work already in the public domain").

Alternatively, Defendant argues that dismissal under Fed.R.Civ.P. 12(b)(6) is appropriate because the history of copyright legislation indicates that § 514 of the URAA is a valid exercise of Congress's power under the Copyright and Patent Clause. Defendant refers me to the various copyright and patent acts passed by Congress, as well as presidential acts exercising the copyright restoration power, which he intends establish a clear tradition of providing protection to works once in the public domain.

In response, Plaintiffs dispute the historical characterization made by Defendant, and asserts that there is no clear history for the restoration of copyrights in the public domain. For example, they note that the 1909 Copyright Act expressly prohibited the grant of a copyright to a work in already in the public domain. They also assert that the Presidential Acts, which may or may not have removed material from the public domain, were only to address the "emergency" of world wars that caused the suspension of facilities essential for compliance.

Plaintiffs' claim that § 514 of the URAA violates the Copyright and Patent Clause because Congress cannot pass a copyright law that removes works from the public domain, is not legally foreclosed. Hence, I conclude that Plaintiffs legal theory raised here is cognizable as a matter of law and does not require dismissal pursuant to Fed.R.Civ.P. 12(b)(6).

2. Right to Free Speech [Count 2]

Plaintiffs also aver in their Amended Complaint that § 514 of the URAA restricts their right to free speech under the First Amendment because while they once could publish works in the public domain, they cannot now do so for those works that copyrights have been restored.

In *Eldred,* the majority held that the purpose of copyright protection is to promote free expression by allowing communication of facts, while still protecting the author's expression. *Eldred v. Ashcroft,* 537 U.S. at 219-220, 123 S.Ct. 769 (*citing Harper & Row Publishers, Inc. v. Nation Enterprises,* 471 U.S. 539, 105 S.Ct. 2218, 85 L.Ed.2d 588 (1985)). The Court further determined that the fair use defense allows the public to use some of the facts, ideas and expressions in a copyrighted work and, thus, concluded that the CTEA provided appropriate free speech safeguards. *Id.* at 219, 123 S.Ct. 769. As such, the Supreme Court rejected the Petitioners' "plea for imposition of uncommonly strict scrutiny on a copyright scheme that incorporates its own speech-protective purposes and safeguards to the CTEA's extension to existing copyrights." *Id.* at 219, 123 S.Ct. 769.

Plaintiffs assert, however, that § 514 of the URAA alters the traditional contours of copyright protection – in that it modifies the basic principle that works in the public domain are not copyrightable, and it alters the first sales doctrine – and, thus, First Amendment scrutiny is appropriate under *Eldred. Id.* at 191, 123

S.Ct. 769 (when "Congress has not altered the traditional contours of copyright protection, further First Amendment scrutiny is unnecessary"). In response, Defendant asserts that § 514 of the URAA does not alter the "traditional" safeguards unbodied in copyright protection vis a vis the First Amendment.

Plaintiffs' argument adequately distinguishes the free speech holding in *Eldred* to the challenge made here. Hence, I conclude Plaintiff's second count states a cognizable legal theory that survives Defendant's motion to dismiss pursuant to Fed.R.Civ.P. 12(b)(6).

3. Substantive Due Process [Count 3]

Finally, Plaintiffs assert that their right to due process under the Fifth Amendment has been violated because § 514 of the URAA results in retroactive legislation that is fundamentally unfair. Plaintiffs contend that retroactive restoration of copyrights unsettles their reasonable expectations about the free availability of public domain works and, thus, deprives them of their property without due process of law. They further allege that they expended a considerable amount of time, money and resources in their business to perform or make available public domain works to the public, and that they had purchased works that had entered the public domain.

Plaintiffs rely on Justice Kennedy's concurrence in *Eastern Enterprises v. Apfel*, 524 U.S. 498, 118 S.Ct. 2131, 141 L.Ed.2d 451 (1998), for the proposition that

retroactive legislation that unfairly burdens individuals and disrupts settled expectations is arbitrary and, thus, violates due process. *See also Unity Real Estate Co. v. Hudson,* 178 F.3d 649, 670 n. 13 (3rd Cir.1999) (focusing on Justice Kennedy's explication of the relevant due process principles in *Eastern Enterprises* because the plurality did not reach the due process claim).

In response, Defendant asserts that § 514 of the URAA is not retroactive in that it does not extend protection backwards in time to the point where the protection first lapsed, but rather governs future protection of the previously unprotected work. Defendant further contends that even if § 514 of the URAA is retroactive, it is constitutional in that it passes the rational basis test.

Although legislative processes that readjust rights and burdens is not unlawful solely because it upsets otherwise settled expectations, such acts "adjusting the burdens and benefits of economic life [carry] . . . a presumption of constitutionality, and . . . the burden is on one complaining of a due process violation to establish that the legislature has acted in an arbitrary and irrational way." *Usery v. Turner Elkhorn Mining Co.,* 428 U.S. 1, 15, 96 S.Ct. 2882, 49 L.Ed.2d 752 (1976); *see also Sheridan Square Partnership v. U.S.,* 66 F.3d 1105, 1108 (10th Cir.1995).

In response, Plaintiffs argue that § 514 of the URAA, as retroactive legislation, does violate the arbitrary and irrational substantive due process test

articulated in *Anker Energy Corp. v. Consolidation Coal Co.*, 177 F.3d 161 (3rd Cir.1999).

Again, although this claim may ultimately be unsuccessful, I conclude that Plaintiffs have adequately stated a legally cognizable claim pursuant to Fed.R.Civ.P. 12(b)(6).

Accordingly, IT IS ORDERED:

1. That Defendant's Renewed Motion to Dismiss Pursuant to Fed.R.Civ.P. 12(b)(6) is GRANTED as to Count 4 of Plaintiffs' Amended Complaint, and Count 4 is DISMISSED; and

2. That Defendant's Renewed Motion to Dismiss Pursuant to Fed.R.Civ.P. 12(b)(6) is DENIED as to Counts 1, 2, and 3 of Plaintiffs' Amended Complaint.

UNITED STATES COURT OF APPEALS
FOR THE TENTH CIRCUIT

LAWRENCE GOLAN, et al.,

Plaintiffs-Appellants,

v.

MICHAEL B. MUKASEY, Attorney General, in his official capacity as Attorney General of the United States,

Defendants-Appellees.

INTERNATIONAL COALITION FOR COPYRIGHT PROTECTION,

Amicus Curiae.

No. 05-1259

ORDER

Filed January 4, 2008

Before **HENRY**, **BRISCOE**, and **LUCERO**, Circuit Judges.

Appellees' petition for rehearing by the panel is denied.

The suggestion for rehearing en banc was transmitted to all of the judges of the court who are in regular active service. As no member of the panel and no judge in regular active service on the court requested that the court be polled, that petition is also denied.

Entered for the Court

/s/ Elisabeth A. Shumaker
ELISABETH A. SHUMAKER, Clerk

IN THE UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF COLORADO
LEWIS T. BABCOCK, JUDGE

Civil Case No. 01-cv-01854-LTB

LAWRENCE GOLAN;
ESTATE OF RICHARD KAPP;
S.A. PUBLISHING CO., INC.,
d/b/A ESS.A.Y. RECORDINGS;
SYMPHONY OF THE CANYONS;
RON HALL, d/b/A FESTIVAL FILMS; and
JOHN McDONOUGH, d/b/a TIMELESS VIDEO
ALTERNATIVES INTERNATIONAL,

Plaintiffs,

v.

ERIC H. HOLDER, JR., in his official capacity as Attorney General of the United States; and
MARYBETH PETERS, in her official capacity as Register of Copyrights, Copyright Office of the United States,

Defendants.

JUDGMENT

PURSUANT TO and in accordance with the Order entered by the Honorable Lewis T. Babcock, United States District Judge, on August 16, 2010,

Mandate from the Tenth Circuit Court of Appeals issued August 13, 2010. In its opinion, issued June 21, 2010, the Tenth Circuit concluded:

> "In sum, Congress acted within its authority under the Copyright clause in enacting Section 514. *See Id* at 1187. Further Section 514 does not violate Plaintiffs' freedom of speech under the First Amendment because it advances an important governmental interest, and it is not substantially broader than necessary to advance that interest. Accordingly, we REVERSE the judgment of the District Court and REMAND with instructions to grant summary judgment in favor of the government."

In accordance with the mandate upon remand,

IT IS ORDERED that judgment is entered in favor of the Defendants Eric H. Holder, Jr., in his official capacity as Attorney General of the United States; and Marybeth Peters, in her official capacity as Register of Copyrights, Copyright Office of the United States Government and against the Plaintiffs Lawrence Golan; Estate of Richard Kapp; S.A. Publishing Co., Inc., d/b/a ESS.A.Y. Recordings; Symphony of the Canyons; Ron Hall, d/b/a Festival Films; and John McDonough, d/b/a Timeless Video Alternatives International.

IT IS FURTHER ORDERED that Defendants are awarded costs upon the filing of a Bill of Costs with the Clerk of Court within 14 days of entry of judgment.

DATED at Denver, Colorado this 17th day of August, 2010.

FOR THE COURT:

Gregory C. Langham, Clerk

By: s/ Edward P. Butler
Edward P. Butler
Deputy Clerk

IN THE UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF COLORADO
LEWIS T. BABCOCK, CHIEF JUDGE

Civil Case No. 01-B-1854 (BNB)

LAWRENCE GOLAN,
RICHARD KAPP,
S.A. PUBLISHING CO., INC.,
d/b/a ESS.A.Y. RECORDINGS,
SYMPHONY OF THE CANYONS,
RON HALL d/b/a FESTIVAL FILMS,
JOHN MCDONOUGH d/b/a TIMELESS VIDEO
ALTERNATIVES INTERNATIONAL,

Plaintiffs,

v.

JOHN ASHCROFT, in his official capacity as Attorney General of the United States, and MARYBETH PETERS, Register of Copyrights, Copyright Office of the United States,

Defendants.

JUDGMENT

(Filed May 12, 2005)

PURSUANT TO and in accordance with the Memorandum Opinion And Order entered by the Honorable Lewis T. Babcock, United States District Chief Judge, on April 19, 2005, it is

ORDERED that the Government's motion for Summary Judgment is granted.

IT IS FURTHER ORDERED that judgment is entered for Defendants Alberto R. Gonzalez and Marybeth Peters and against the Plaintiffs Lawrence Golan, Richard Kapp, S.A. Publishing Co., Inc., d/b/a ESS.A.Y. Recordings, Symphony of the Canyons, Ron Hall d/b/a Festival Films, John Mcdonough d/b/a Timeless Video Alternatives International and the action and complaint are dismissed.

IT IS FURTHER ORDERED that Defendants are awarded costs upon the filing of a Bill of Costs with the Clerk of Court within ten days of entry of this Judgment.

Dated at Denver, Colorado this 12th day of May 2005.

FOR THE COURT:

GREGORY C. LANGHAM, CLERK

By: /s/ Stephen P. Ehrlich
Stephen P. Ehrlich,
Chief Deputy Clerk

Effective: May 20, 2002

17 U.S.C.A. § 104A. Copyright in restored works

(a) Automatic protection and term. –

(1) Term. –

(A) Copyright subsists, in accordance with this section, in restored works, and vests automatically on the date of restoration.

(B) Any work in which copyright is restored under this section shall subsist for the remainder of the term of copyright that the work would have otherwise been granted in the United States if the work never entered the public domain in the United States.

(2) Exception. – Any work in which the copyright was ever owned or administered by the Alien Property Custodian and in which the restored copyright would be owned by a government or instrumentality thereof, is not a restored work.

(b) Ownership of Restored Copyright. – A restored work vests initially in the author or initial rightholder of the work as determined by the law of the source country of the work.

(c) Filing of Notice of Intent to Enforce Restored Copyright Against Reliance Parties. – On or after the date of restoration, any person who owns a copyright in a restored work or an exclusive right therein may file with the Copyright Office a notice of intent to enforce that person's copyright or exclusive right or may serve such a notice directly on a reliance

party. Acceptance of a notice by the Copyright Office is effective as to any reliance parties but shall not create a presumption of the validity of any of the facts stated therein. Service on a reliance party is effective as to that reliance party and any other reliance parties with actual knowledge of such service and of the contents of that notice.

(d) Remedies for Infringement of Restored Copyrights. –

(1) Enforcement of copyright in restored works in the absence of a reliance party. – As against any party who is not a reliance party, the remedies provided in chapter 5 of this title shall be available on or after the date of restoration of a restored copyright with respect to an act of infringement of the restored copyright that is commenced on or after the date of restoration.

(2) Enforcement of copyright in restored works as against reliance parties. – As against a reliance party, except to the extent provided in paragraphs (3) and (4), the remedies provided in chapter 5 of this title shall be available, with respect to an act of infringement of a restored copyright, on or after the date of restoration of the restored copyright if the requirements of either of the following subparagraphs are met:

(A)(i) The owner of the restored copyright (or such owner's agent) or the owner of an exclusive right therein (or such owner's agent) files with the Copyright Office, during the 24-month period beginning on the date of

restoration, a notice of intent to enforce the restored copyright; and

(ii)(I) the act of infringement commenced after the end of the 12-month period beginning on the date of publication of the notice in the Federal Register;

(II) the act of infringement commenced before the end of the 12-month period described in subclause (I) and continued after the end of that 12-month period, in which case remedies shall be available only for infringement occurring after the end of that 12-month period; or

(III) copies or phonorecords of a work in which copyright has been restored under this section are made after publication of the notice of intent in the Federal Register.

(B)(i) The owner of the restored copyright (or such owner's agent) or the owner of an exclusive right therein (or such owner's agent) serves upon a reliance party a notice of intent to enforce a restored copyright; and

(ii)(I) the act of infringement commenced after the end of the 12-month period beginning on the date the notice of intent is received;

(II) the act of infringement commenced before the end of the 12-month period described in subclause (I) and continued after the end of that 12-month period, in which case remedies shall be available

only for the infringement occurring after the end of that 12-month period; or

(III) copies or phonorecords of a work in which copyright has been restored under this section are made after receipt of the notice of intent.

In the event that notice is provided under both subparagraphs (A) and (B), the 12-month period referred to in such subparagraphs shall run from the earlier of publication or service of notice.

(3) Existing derivative works. – (A) In the case of a derivative work that is based upon a restored work and is created –

(i) before the date of the enactment of the Uruguay Round Agreements Act, if the source country of the restored work is an eligible country on such date, or

(ii) before the date on which the source country of the restored work becomes an eligible country, if that country is not an eligible country on such date of enactment,

a reliance party may continue to exploit that derivative work for the duration of the restored copyright if the reliance party pays to the owner of the restored copyright reasonable compensation for conduct which would be subject to a remedy for infringement but for the provisions of this paragraph.

(B) In the absence of an agreement between the parties, the amount of such compensation shall be determined by an action in United States district court, and shall reflect any harm to the actual or potential market for or value of the restored work from the reliance party's continued exploitation of the work, as well as compensation for the relative contributions of expression of the author of the restored work and the reliance party to the derivative work.

(4) **Commencement of infringement for reliance parties.** – For purposes of section 412, in the case of reliance parties, infringement shall be deemed to have commenced before registration when acts which would have constituted infringement had the restored work been subject to copyright were commenced before the date of restoration.

(e) **Notices of Intent to Enforce a Restored Copyright.** –

(1) **Notices of intent filed with the Copyright Office.** – (A)(i) A notice of intent filed with the Copyright Office to enforce a restored copyright shall be signed by the owner of the restored copyright or the owner of an exclusive right therein, who files the notice under subsection (d)(2)(A)(i) (hereafter in this paragraph referred to as the "owner"), or by the owner's agent, shall identify the title of the restored work, and shall include an English translation of the title and any other alternative titles known to the owner by which the restored work may be

identified, and an address and telephone number at which the owner may be contacted. If the notice is signed by an agent, the agency relationship must have been constituted in a writing signed by the owner before the filing of the notice. The Copyright Office may specifically require in regulations other information to be included in the notice, but failure to provide such other information shall not invalidate the notice or be a basis for refusal to list the restored work in the Federal Register.

(ii) If a work in which copyright is restored has no formal title, it shall be described in the notice of intent in detail sufficient to identify it.

(iii) Minor errors or omissions may be corrected by further notice at any time after the notice of intent is filed. Notices of corrections for such minor errors or omissions shall be accepted after the period established in subsection (d)(2)(A)(i). Notices shall be published in the Federal Register pursuant to subparagraph (B).

(B)(i) The Register of Copyrights shall publish in the Federal Register, commencing not later than 4 months after the date of restoration for a particular nation and every 4 months thereafter for a period of 2 years, lists identifying restored works and the ownership thereof if a notice of intent to enforce a restored copyright has been filed.

(ii) Not less than 1 list containing all notices of intent to enforce shall be maintained in the Public Information Office of the Copyright Office and shall be available for public inspection and copying during regular business hours pursuant to sections 705 and 708.

(C) The Register of Copyrights is authorized to fix reasonable fees based on the costs of receipt, processing, recording, and publication of notices of intent to enforce a restored copyright and corrections thereto.

(D)(i) Not later than 90 days before the date the Agreement on Trade-Related Aspects of Intellectual Property referred to in section 101(d)(15) of the Uruguay Round Agreements Act enters into force with respect to the United States, the Copyright Office shall issue and publish in the Federal Register regulations governing the filing under this subsection of notices of intent to enforce a restored copyright.

(ii) Such regulations shall permit owners of restored copyrights to file simultaneously for registration of the restored copyright.

(2) **Notices of intent served on a reliance party.** – (A) Notices of intent to enforce a restored copyright may be served on a reliance party at any time after the date of restoration of the restored copyright.

(B) Notices of intent to enforce a restored copyright served on a reliance party shall be signed by the owner or the owner's agent, shall identify the restored work and the work in which the restored work is used, if any, in detail sufficient to identify them, and shall include an English translation of the title, any other alternative titles known to the owner by which the work may be identified, the use or uses to which the owner objects, and an address and telephone number at which the reliance party may contact the owner. If the notice is signed by an agent, the agency relationship must have been constituted in writing and signed by the owner before service of the notice.

(3) **Effect of material false statements.** – Any material false statement knowingly made with respect to any restored copyright identified in any notice of intent shall make void all claims and assertions made with respect to such restored copyright.

(f) **Immunity from Warranty and Related Liability.** –

(1) **In general.** – Any person who warrants, promises, or guarantees that a work does not violate an exclusive right granted in section 106 shall not be liable for legal, equitable, arbitral, or administrative relief if the warranty, promise, or guarantee is breached by virtue of the restoration of copyright under this section, if such warranty, promise, or guarantee is made before January 1, 1995.

(2) **Performances.** – No person shall be required to perform any act if such performance is made infringing by virtue of the restoration of copyright under the provisions of this section, if the obligation to perform was undertaken before January 1, 1995.

(g) **Proclamation of Copyright Restoration.** – Whenever the President finds that a particular foreign nation extends, to works by authors who are nationals or domiciliaries of the United States, restored copyright protection on substantially the same basis as provided under this section, the President may by proclamation extend restored protection provided under this section to any work –

(1) of which one or more of the authors is, on the date of first publication, a national, domiciliary, or sovereign authority of that nation; or

(2) which was first published in that nation.

The President may revise, suspend, or revoke any such proclamation or impose any conditions or limitations on protection under such a proclamation.

(h) **Definitions.** – For purposes of this section and section 109(a):

(1) The term "date of adherence or proclamation" means the earlier of the date on which a foreign nation which, as of the date the WTO Agreement enters into force with respect to the United States, is not a nation adhering to the Berne Convention or a WTO member country, becomes –

(A) a nation adhering to the Berne Convention;

(B) a WTO member country;

(C) a nation adhering to the WIPO Copyright Treaty;

(D) a nation adhering to the WIPO Performances and Phonograms Treaty; or

(E) subject to a Presidential proclamation under subsection (g).

(2) The "date of restoration" of a restored copyright is –

(A) January 1, 1996, if the source country of the restored work is a nation adhering to the Berne Convention or a WTO member country on such date, or

(B) the date of adherence or proclamation, in the case of any other source country of the restored work.

(3) The term "eligible country" means a nation, other than the United States, that –

(A) becomes a WTO member country after the date of the enactment of the Uruguay Round Agreements Act;

(B) on such date of enactment is, or after such date of enactment becomes, a nation adhering to the Berne Convention;

(C) adheres to the WIPO Copyright Treaty;

(D) adheres to the WIPO Performances and Phonograms Treaty; or

(E) after such date of enactment becomes subject to a proclamation under subsection (g).

(4) The term "reliance party" means any person who –

(A) with respect to a particular work, engages in acts, before the source country of that work becomes an eligible country, which would have violated section 106 if the restored work had been subject to copyright protection, and who, after the source country becomes an eligible country, continues to engage in such acts;

(B) before the source country of a particular work becomes an eligible country, makes or acquires 1 or more copies or phonorecords of that work; or

(C) as the result of the sale or other disposition of a derivative work covered under subsection (d)(3), or significant assets of a person described in subparagraph (A) or (B), is a successor, assignee, or licensee of that person.

(5) The term "restored copyright" means copyright in a restored work under this section.

(6) The term "restored work" means an original work of authorship that –

(A) is protected under subsection (a);

(B) is not in the public domain in its source country through expiration of term of protection;

(C) is in the public domain in the United States due to –

(i) noncompliance with formalities imposed at any time by United States copyright law, including failure of renewal, lack of proper notice, or failure to comply with any manufacturing requirements;

(ii) lack of subject matter protection in the case of sound recordings fixed before February 15, 1972; or

(iii) lack of national eligibility;

(D) has at least one author or rightholder who was, at the time the work was created, a national or domiciliary of an eligible country, and if published, was first published in an eligible country and not published in the United States during the 30-day period following publication in such eligible country; and

(E) if the source country for the work is an eligible country solely by virtue of its adherence to the WIPO Performances and Phonograms Treaty, is a sound recording.

(7) The term "rightholder" means the person –

(A) who, with respect to a sound recording, first fixes a sound recording with authorization, or

(B) who has acquired rights from the person described in subparagraph (A) by means of any conveyance or by operation of law.

(8) The "source country" of a restored work is –

(A) a nation other than the United States;

(B) in the case of an unpublished work –

(i) the eligible country in which the author or rightholder is a national or domiciliary, or, if a restored work has more than 1 author or rightholder, of which the majority of foreign authors or rightholders are nationals or domiciliaries; or

(ii) if the majority of authors or rightholders are not foreign, the nation other than the United States which has the most significant contacts with the work; and

(C) in the case of a published work –

(i) the eligible country in which the work is first published, or

(ii) if the restored work is published on the same day in 2 or more eligible countries, the eligible country which has the most significant contacts with the work.

Effective: October 13, 2008

17 U.S.C.A. § 109. Limitations on exclusive rights: Effect of transfer of particular copy or phonorecord

(a) Notwithstanding the provisions of section 106(3), the owner of a particular copy or phonorecord lawfully made under this title, or any person authorized by such owner, is entitled, without the authority of the copyright owner, to sell or otherwise dispose of the possession of that copy or phonorecord. Notwithstanding the preceding sentence, copies or phonorecords of works subject to restored copyright under section 104A that are manufactured before the date of restoration of copyright or, with respect to reliance parties, before publication or service of notice under section 104A(e), may be sold or otherwise disposed of without the authorization of the owner of the restored copyright for purposes of direct or indirect commercial advantage only during the 12-month period beginning on –

> **(1)** the date of the publication in the Federal Register of the notice of intent filed with the Copyright Office under section 104A(d)(2)(A), or
>
> **(2)** the date of the receipt of actual notice served under section 104A(d)(2)(B),
>
> whichever occurs first.

(b)(1)(A) Notwithstanding the provisions of subsection (a), unless authorized by the owners of copyright in the sound recording or the owner of copyright in a computer program (including any tape, disk, or other

medium embodying such program), and in the case of a sound recording in the musical works embodied therein, neither the owner of a particular phonorecord nor any person in possession of a particular copy of a computer program (including any tape, disk, or other medium embodying such program), may, for the purposes of direct or indirect commercial advantage, dispose of, or authorize the disposal of, the possession of that phonorecord or computer program (including any tape, disk, or other medium embodying such program) by rental, lease, or lending, or by any other act or practice in the nature of rental, lease, or lending. Nothing in the preceding sentence shall apply to the rental, lease, or lending of a phonorecord for nonprofit purposes by a nonprofit library or nonprofit educational institution. The transfer of possession of a lawfully made copy of a computer program by a nonprofit educational institution to another nonprofit educational institution or to faculty, staff, and students does not constitute rental, lease, or lending for direct or indirect commercial purposes under this subsection.

(B) This subsection does not apply to –

(i) a computer program which is embodied in a machine or product and which cannot be copied during the ordinary operation or use of the machine or product; or

(ii) a computer program embodied in or used in conjunction with a limited purpose computer that is designed for

playing video games and may be designed for other purposes.

(C) Nothing in this subsection affects any provision of chapter 9 of this title.

(2)(A) Nothing in this subsection shall apply to the lending of a computer program for nonprofit purposes by a nonprofit library, if each copy of a computer program which is lent by such library has affixed to the packaging containing the program a warning of copyright in accordance with requirements that the Register of Copyrights shall prescribe by regulation.

(B) Not later than three years after the date of the enactment of the Computer Software Rental Amendments Act of 1990, and at such times thereafter as the Register of Copyrights considers appropriate, the Register of Copyrights, after consultation with representatives of copyright owners and librarians, shall submit to the Congress a report stating whether this paragraph has achieved its intended purpose of maintaining the integrity of the copyright system while providing nonprofit libraries the capability to fulfill their function. Such report shall advise the Congress as to any information or recommendations that the Register of Copyrights considers necessary to carry out the purposes of this subsection.

(3) Nothing in this subsection shall affect any provision of the antitrust laws. For purposes of the preceding sentence, "antitrust laws" has the meaning given that term in the first section of

the Clayton Act and includes section 5 of the Federal Trade Commission Act to the extent that section relates to unfair methods of competition.

(4) Any person who distributes a phonorecord or a copy of a computer program (including any tape, disk, or other medium embodying such program) in violation of paragraph (1) is an infringer of copyright under section 501 of this title and is subject to the remedies set forth in sections 502, 503, 504, and 505. Such violation shall not be a criminal offense under section 506 or cause such person to be subject to the criminal penalties set forth in section 2319 of title 18.

(c) Notwithstanding the provisions of section 106(5), the owner of a particular copy lawfully made under this title, or any person authorized by such owner, is entitled, without the authority of the copyright owner, to display that copy publicly, either directly or by the projection of no more than one image at a time, to viewers present at the place where the copy is located.

(d) The privileges prescribed by subsections (a) and (c) do not, unless authorized by the copyright owner, extend to any person who has acquired possession of the copy or phonorecord from the copyright owner, by rental, lease, loan, or otherwise, without acquiring ownership of it.

(e) Notwithstanding the provisions of sections 106(4) and 106(5), in the case of an electronic audiovisual game intended for use in coin-operated equipment, the owner of a particular copy of such a game

lawfully made under this title, is entitled, without the authority of the copyright owner of the game, to publicly perform or display that game in coin-operated equipment, except that this subsection shall not apply to any work of authorship embodied in the audiovisual game if the copyright owner of the electronic audiovisual game is not also the copyright owner of the work of authorship.

OPPOSITION BRIEF

No. 10-545

In the Supreme Court of the United States

LAWRENCE GOLAN, ET AL., PETITIONERS

v.

ERIC H. HOLDER, JR., ATTORNEY GENERAL, ET AL.

ON PETITION FOR A WRIT OF CERTIORARI TO THE UNITED STATES COURT OF APPEALS FOR THE TENTH CIRCUIT

BRIEF FOR THE RESPONDENTS IN OPPOSITION

NEAL KUMAR KATYAL
Acting Solicitor General
Counsel of Record

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Assistant Attorney General

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QUESTIONS PRESENTED

1. Whether Section 514 of the Uruguay Round Agreements Act (URAA), Pub. L. No. 103-465, 108 Stat. 4976, which restores copyright protections to certain foreign works that were previously in the public domain due to a failure to comply with various since-repealed prerequisites to copyright protection under United States law, violates the Copyright Clause of the Constitution.

2. Whether the URAA's restoration of copyright protections in furtherance of international copyright objectives violates the First Amendment.

TABLE OF CONTENTS

Page

Opinions below 1
Jurisdiction 1
Statement 2
Argument 12
Conclusion 26

TABLE OF AUTHORITIES

Cases:

Chicago Bd. of Educ. v. *Substance, Inc.*, 354 F.3d 624 (7th Cir. 2003), cert. denied, 543 U.S. 816 (2004) 24

Eldred v. *Ashcroft*:

534 U.S. 1126 (2002) 6

537 U.S. 186 (2003) ..... *passim*

FCC v. *Fox Television Stations, Inc.*, 129 S. Ct. 1800 (2009) 21

Graham v. *John Deere Co.*, 383 U.S. 1 (1966) 16

Harper & Row, Publishers, Inc. v. *Nation Enters.*, 471 U.S. 539 (1985) 23

Heart of Atlanta Motel, Inc. v. *United States*, 379 U.S. 241 (1964) 17

Kahle v. *Gonzales*, 487 F.3d 697 (9th Cir. 2007), cert. denied, 552 U.S. 1096 (2008) 23, 24

Kelo v. *City of New London*, 545 U.S. 469 (2005) 15

Luck's Music Library, Inc. v. *Ashcroft*, 321 F. Supp. 2d 107 (D.D.C. 2004) 24, 25

Luck's Music Library, Inc. v. *Gonzales*, 407 F.3d 1262 (D.C. Cir. 2005) 12, 13, 14, 17

Members of the City Council v. *Taxpayers for Vincent*, 466 U.S. 789 (1984) 20

Cases—Continued: Page

Regan v. *Wald*, 468 U.S. 222 (1984) 18
Turner Broad. Sys., Inc. v. *FCC*, 520 U.S. 180 (1997) 8, 11, 17, 18
United States v. *Moghadam*, 175 F.3d 1269 (11th Cir. 1999), cert. denied, 529 U.S. 1036 (2000) 17
Wisniewski v. *United States*, 353 U.S. 901 (1957) 19

Constitution, treaties and statutes:

U.S. Const.:
Art. I, § 8:
Cl. 3 (Commerce Clause) 17
Cl. 8 (Copyright Clause) ..... *passim*
Amend. I ..... *passim*
Amend. V 15
Agreement on Trade-Related Aspects of Intellectual Property Rights, Apr. 15, 1994, Marrakesh Agreement Establishing the World Trade Organization, Annex 1C, Legal Instruments—Results of the Uruguay Round, H. Doc. No. 316, 103d Cong., 2d Sess. 1621 (1994), 186 U.N.T.S. 299 3
Berne Convention for the Protection of Literary and Artistic Works, *concluded* July 24, 1971, S. Treaty Doc. No. 27, 99th Cong., 2d Sess. (1986), 1161 U.N.T.S. 3 2
Art. 18, 1161 U.N.T.S. at 41-42 ..... 3, 4, 5, 9, 20
Act of May 31, 1790, ch. 15, § 1, 1 Stat. 124 14
Act of Dec. 8, 1919, ch. 11, 41 Stat. 368 14
An Act to Amend and Consolidate the Acts Respecting Copyright, ch. 320, § 8, 35 Stat. 1077 14

Statutes—Continued: Page

Berne Convention Implementation Act of 1988, Pub. L. No. 100-568, § 7, 102 Stat. 2857 4
Emergency Copyright Act of 1941, ch. 421, 55 Stat. 732 14
Sonny Bono Copyright Term Extension Act, Pub. L. No. 105-298, 112 Stat. 2827 6
Uruguay Round Agreements Act, Pub. L. No. 103-465, § 514, 108 Stat. 4976 ..... *passim*
17 U.S.C. 102(b) 22
17 U.S.C. 104A(a) 5
17 U.S.C. 104A(a)(1)(B) 5
17 U.S.C. 104A(d)(1)-(2) 5
17 U.S.C. 104A(d)(2)(A)-(B) 5
17 U.S.C. 104A(d)(2)(A)(ii) 5
17 U.S.C. 104A(d)(2)(B) 6
17 U.S.C. 104A(d)(2)(B)(ii) 6
17 U.S.C. 104A(d)(3) 6
17 U.S.C. 104A(h)(6) 5
17 U.S.C. 107 22
17 U.S.C. 108-122 (2006 & Supp. II 2009) 18
17 U.S.C. 110 18

Miscellaneous:

Joint Hearing Before the Subcomm. on Intellectual Property and Judicial Administration of the H. Comm. on the Judiciary, and the Subcomm. on Patents, Copyrights and Trademarks of the S. Comm. on the Judiciary on H.R. 4894 and S. 2368, 103d Cong., 2d Sess. (1994) 5

Miscellaneous—Continued: Page

Sam Ricketson & Jane C. Ginsburg, *International Copyright and Neighbouring Rights: The Berne Convention and Beyond* (2d ed. 2006) 20

S. Rep. No. 352, 100th Cong., 2d Sess. (1988) 2, 3

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U.S. Copyright Office, *Circular 38a, International Copyright Relations of the United States* (Nov. 2010) 2

World Intellectual Property Organization, *Contracting Parties*, at http://www.wipo.int/treaties/en/ShowResults.jsp?treaty_id=15 2

In the Supreme Court of the United States

No. 10-545

LAWRENCE GOLAN, ET AL., PETITIONERS

v.

ERIC H. HOLDER, JR., ATTORNEY GENERAL, ET AL.

ON PETITION FOR A WRIT OF CERTIORARI TO THE UNITED STATES COURT OF APPEALS FOR THE TENTH CIRCUIT

BRIEF FOR THE RESPONDENTS IN OPPOSITION

OPINIONS BELOW

The opinion of the court of appeals (Pet. App. 1-42) is reported at 609 F.3d 1076. The opinion of the district court (Pet. App. 43-69) is reported at 611 F. Supp. 2d 1165. A prior opinion of the court of appeals (Pet. App. 70-109) is reported at 501 F.3d 1179. A prior opinion of the district court (Pet. App. 110-152) is unreported but is available at 2005 WL 914754.

JURISDICTION

The judgment of the court of appeals was entered on June 21, 2010. On August 24, 2010, Justice Sotomayor extended the time within which to file a petition for a writ of certiorari to and including October 20, 2010, and the petition was filed on that date. The jurisdiction of this Court is invoked under 28 U.S.C. 1254(1).

STATEMENT

1. The Copyright Clause of the Constitution confers upon Congress the "Power * * * To promote the Progress of Science and useful Arts, by securing for limited Times to Authors and Inventors the exclusive Right to their respective Writings and Discoveries." U.S. Const. Art. I, § 8, Cl. 8.[1] The First Amendment provides in pertinent part that "Congress shall make no law * * * abridging the freedom of speech." U.S. Const. Amend. I.

2. The Berne Convention for the Protection of Literary and Artistic Works (Berne Convention), *concluded* July 24, 1971, S. Treaty Doc. No. 27, 99th Cong., 2d Sess. (1986), 1161 U.N.T.S. 3, has been "the major multilateral agreement governing international copyright relations" "[f]or more than 100 years." S. Rep. No. 352, 100th Cong., 2d Sess. 2 (1988) (*Berne Report*); see Uruguay Round Agreements Act (URAA), S. Rep. No. 412, 103d Cong., 2d Sess. 225-226 (1994) (*URAA Report*). The United States joined the Berne Convention in 1989, and 164 countries are now parties. See World Intellectual Property Organization, *Contracting Parties*, at http://www.wipo.int/treaties/en/ShowResults.jsp?treaty_id=15.

Because there is no such thing as "an 'international copyright' that will automatically protect an author's writings throughout the world," U.S. Copyright Office, *Circular 38a, International Copyright Relations of the United States* 1 (Nov. 2010), international agreements such as the World Trade Organization Agreement on

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[1] Although petitioners refer to the "Progress Clause" (Pet. 2 n.1), we adhere to the terminology used by this Court in *Eldred* v. *Ashcroft*, 537 U.S. 186, 211 (2003), and refer to the clause as the "Copyright Clause," and to the phrase "To promote the Progress of Science and useful Arts" as "the preamble."

Trade-Related Aspects of Intellectual Property Rights (TRIPS Agreement), Apr. 15, 1994, Marrakesh Agreement Establishing the World Trade Organization, Annex 1C, Legal Instruments—Results of the Uruguay Round, H. Doc. No. 316, 103d Cong., 2d Sess. 1621 (1994), 186 U.N.T.S. 299, and the Berne Convention are essential to protect the rights of domestic authors abroad. If the United States has not established copyright relations with a foreign country, a work first published in that country ordinarily will not be entitled to copyright protection here unless the author or coauthor is a national or domiciliary of the United States or another country that has copyright relations with the United States. The absence of an agreement establishing copyright relations also means that the foreign country will be under no obligation to offer copyright protection to U.S. works. The United States' adherence to such international agreements and compliance with their terms therefore "secure[s] the highest available level of multilateral copyright protection for U.S. artists, authors and other creators." *Berne Report* 2.

The Berne Convention generally requires each party to afford foreign copyright holders the same protections the country affords to its own nationals. Article 18 of the Convention requires parties to restore copyright protections to certain unprotected foreign works whose copyright terms have not yet expired in the country of origin.[2] Such works may have lacked protection in the

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[2] Article 18 provides:

(1) This Convention shall apply to all works which, at the moment of its coming into force, have not yet fallen into the public domain in the country of origin through the expir[ation] of the term of protection.
(2) If, however, through the expir[ation] of the term of protection which was previously granted, a work has fallen into the public do-

United States due to the absence of national eligibility or subject-matter protection, or because of a failure to abide by certain required formalities, such as affixing a copyright notice. *URAA Report* 225-226. As a matter of United States law, such copyright formalities have since been repealed and are no longer required of any author. See, *e.g.*, Berne Convention Implementation Act of 1988, Pub. L. No. 100-568, § 7, 102 Stat. 2857 (eliminating requirement that copyright notice be affixed to work).

In 1994, Congress enacted the Uruguay Round Agreements Act (URAA), Pub. L. No. 103-465, § 514, 108 Stat. 4976. Section 514 of the URAA implements Article 18 of the Berne Convention, as that provision is incorporated into the TRIPS Agreement, by restoring the copyrights for foreign holders whose works (1) remain protected under the law of the country where the work was originally published or created; (2) were denied copyright protection in the United States due to a lack of national eligibility, failure to comply with statutory formalities, or (in the case of certain sound recordings) lack of prior subject-matter protection; and (3) are still within the copyright term they would ordinarily have enjoyed if they had been created or published in

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main of the country where protection is claimed, that work shall not be protected anew.

(3) The application of this principle shall be subject to any provisions contained in special conventions to that effect existing or to be concluded between countries of the Union. In the absence of such provisions, the respective countries shall determine, each in so far as it is concerned, the conditions of application of this principle.

(4) The preceding provisions shall also apply in the case of new accessions to the Union and to cases in which protection is extended by the application of Article 7 or by the abandonment of reservations.

Berne Convention, *supra* p. 2, Art. 18, 1161 U.N.T.S. at 41-42.

the United States. See 17 U.S.C. 104A(a) and (h)(6).[3] The URAA thus restores protection for foreign works that were previously ineligible for protection or whose authors were unfamiliar with the technicalities of United States law. Restoration does not extend the copyright term; rather, each restored copyright expires on the same day as if the work had been protected since its creation. 17 U.S.C. 104A(a)(1)(B).

In enacting the URAA, Congress provided certain protections for parties who had previously exploited the foreign works. First, these "reliance parties" receive immunity for any act that occurred before the restoration and that would otherwise have constituted infringement. 17 U.S.C. 104A(d)(1)-(2). Second, although restoration is automatic, copyright holders can enforce a restored copyright only after notifying reliance parties of their intent to do so—either through the Copyright Office within 24 months of restoration, or by directly notifying a particular reliance party. 17 U.S.C. 104A(d)(2)(A)-(B). Absent such notice, any reliance party can continue to treat the work as if it was not copyrighted. Third, even after receiving notice, a reliance party may continue to exploit an existing work for an additional year. 17 U.S.C. 104A(d)(2)(A)(ii) and

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[3] Title V of the URAA implements the TRIPS Agreement, which requires World Trade Organization (WTO) members to comply with Article 18 of the Berne Convention. See *URAA Report* 225. WTO dispute-settlement proceedings, which include the possible application of trade sanctions, apply to the TRIPS Agreement, thus subjecting implementation of Article 18 of the Berne Convention to additional forms of enforcement. See *Joint Hearing Before the Subcomm. on Intellectual Property and Judicial Administration of the H. Comm. on the Judiciary, and the Subcomm. on Patents, Copyrights and Trademarks of the S. Comm. on the Judiciary on H.R. 4894 and S. 2368*, 103d Cong., 2d Sess. 131 (1994).

(B)(ii). Finally, if a reliance party has created a "derivative work" based on a work subject to a restored copyright, it can continue to exploit the derivative work indefinitely if it pays reasonable compensation to the copyright owner. 17 U.S.C. 104A(d)(2)(B) and (d)(3).

3. Petitioners seek to use, copy, or sell, in ways that normally would constitute infringement, works whose copyrights were restored under Section 514 of the URAA. Petitioners brought this action alleging, *inter alia*, that the URAA violates the Copyright Clause and the First Amendment.[4]

a. On April 20, 2005, the district court granted the government's motion for summary judgment, holding that Section 514 of the URAA does not violate the Copyright Clause or the First Amendment. Pet. App. 110-152. After engaging in an extensive historical analysis, the court rejected petitioners' contention that the Copyright Clause categorically precludes Congress from restoring copyrights "to works that have passed into the public domain." *Id.* at 116. The court further determined that, in enacting Section 514 of the URAA, Con-

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[4] Petitioners also alleged that the Sonny Bono Copyright Term Extension Act (CTEA), Pub. L. No. 105-298, 112 Stat. 2827, violated the Copyright Clause and the First Amendment. Proceedings were stayed after this Court granted certiorari to review a similar challenge to the CTEA in *Eldred* v. *Ashcroft*, 534 U.S. 1126 (2002). The Court ultimately rejected that challenge. See 537 U.S. 186. The district court subsequently granted the government's motion to dismiss petitioners' CTEA claims (Pet. App. 148-152), the court of appeals affirmed (*id.* at 79-81), and petitioners do not pursue those challenges in their petition (Pet. 7 n.2). Petitioners also initially alleged that Section 514 of the URAA violates their substantive due process rights. The district court granted summary judgment in favor of the government on that claim (Pet. App. 156-158), and petitioners did not challenge that ruling on appeal.

gress was "attempting to promote protection of American authors by ensuring compliance with the Berne Convention within our own borders," and that this "constitutionally-permissible end" survived rational-basis scrutiny. *Id.* at 147. The district court also rejected petitioners' First Amendment challenge, seeing "no need to expand upon the settled rule that private censorship via copyright enforcement does not implicate First Amendment concerns." *Id.* at 148.

b. The court of appeals affirmed in part and reversed in part. The court agreed that Section 514 of the URAA does not exceed Congress's authority under the Copyright Clause, but it vacated the district court's First Amendment ruling and remanded for further proceedings. Pet. App. 70-109.

The court of appeals rejected petitioners' assertion that extending "copyright protection to works in the public domain eviscerates any limitations imposed by" the Copyright Clause. Pet. App. 82. The court explained that the argument was "similar to one the *Eldred* plaintiffs raised, and like the *Eldred* Court, we are mindful that 'a regime of perpetual copyrights [clearly is] not the situation before us.'" *Id.* at 82-83 (quoting *Eldred*, 537 U.S. at 209). The court of appeals further concluded that implementation of "the Berne Convention, which secures copyright protections for American works abroad, is [not] so irrational or so unrelated to the aims of the Copyright Clause that it exceeds the reach of congressional power." *Id.* at 85 (citing *Eldred*, 537 U.S. at 208).

With respect to petitioners' First Amendment challenge, the court of appeals read *Eldred* as suggesting that Congress's exercise of its Copyright Clause power is subject to First Amendment review "if it 'altered the

traditional contours of copyright protection.'" Pet. App. 86-87 (quoting *Eldred*, 537 U.S. at 221). The court determined that one of those "traditional contours" is "the bedrock principle of copyright law that works in the public domain remain there," and it concluded that Section 514 "alters the traditional contours of copyright protection by deviating from this principle." *Id.* at 87. The court of appeals further held that once the foreign works entered the public domain, petitioners (and the public more generally) acquired "vested First Amendment interests in the expressions," and that First Amendment scrutiny is required to determine whether Section 514 impermissibly interferes with those interests. *Id.* at 102; see *id.* at 100-102. The court of appeals therefore remanded for further proceedings, instructing the district court to consider whether Section 514 is content-based or content-neutral, and to apply the corresponding level of scrutiny. *Id.* at 107-109.

c. After further discovery in the district court, the parties filed cross-motions for summary judgment. The district court granted petitioners' motion and denied the government's motion, holding that Section 514 violates petitioners' First Amendment rights. Pet. App. 43-69.

Pursuant to the court of appeals' instructions on remand, the parties agreed, and the district court held, that Section 514 is content-neutral and therefore subject to intermediate scrutiny. Pet. App. 51-52. The district court recognized that, under intermediate scrutiny, speech restrictions must be "narrowly tailored to serve a significant government interest," and a court must give deference to Congress's judgment. *Id.* at 52-53 (quoting *Turner Broad. Sys., Inc.* v. *FCC*, 520 U.S. 180, 189 (1997) (*Turner II*)). The government identified three substantial interests advanced by Section 514: (1)

complying with the Berne Convention, (2) protecting the interests of American authors abroad, and (3) correcting historical inequities facing foreign authors who have lost copyrights through no fault of their own. *Id.* at 56.

With respect to the government's first interest, the district court agreed that implementation of the Berne Convention is an "important governmental interest." Pet. App. 56-57. The court also recognized that "the idea/expression dichotomy and the fair use doctrine" limit the restrictions on speech that copyright protection entails, and that Section 514 provides additional protections to "reliance parties," leaving unprotected only "speech that involves copying more than one year after notice has been filed, and any derivative works made after notice is filed and without payment of a royalty." *Id.* at 59. The court nevertheless concluded that Section 514 is "substantially broader than necessary." *Id.* at 57 (citation omitted). The district court's conclusion rested primarily on the court of appeals' opinion on the initial appeal, which the district court read as holding that petitioners' interest in copying foreign works "is deserving of full First Amendment protection," *id.* at 58; the district court's belief that the Berne Convention grants member nations discretion on how to protect "reliance parties" while implementing Article 18, *id.* at 60-61; and the court's conclusion that, contrary to the opinion of the government's expert, Congress could have "permanently 'except[ed] parties, such as [petitioners], who have relied upon works in the public domain,'" *id.* at 62 (citation omitted).

The district court rejected the government's second interest—protecting the copyrights of American authors abroad—finding "this justification" "largely intertwined" with the first. Pet. App. 62-63. The district

court also was skeptical that other countries would provide reciprocal protections to American authors whose works had entered the public domain, because of the absence of "specific factual data" supporting Congress's reasoning. *Id.* at 64-65. Finally, the court rejected the third governmental interest (*i.e.*, correcting historical inequities) because it believed that Section 514 itself created inequity by providing greater protection to foreign works that have entered the public domain than to the public-domain works of domestic authors. *Id.* at 67-68.

d. The court of appeals reversed. Pet. App. 1-42. The court agreed with the district court that Section 514 of the URAA is content-neutral and therefore subject to intermediate scrutiny. *Id.* at 11. Because it concluded that the government has a "substantial interest in protecting American copyright holders' interests abroad, and Section 514 is narrowly tailored to advance that interest," the court of appeals did not reach the validity of the government's other two asserted interests. *Id.* at 12-13 & n.6.[5]

The court of appeals had "no difficulty" in "concluding that the government's interest in securing protections abroad for American copyright holders" is an important interest unrelated to the suppression of free expression. Pet. App. 13. Relying on this Court's decision in *Eldred*, the court of appeals stated that the First Amendment "bears less heavily when speakers assert the right to make other people's speeches." *Id.* at 14 (quoting *Eldred*, 537 U.S. at 221). The court recognized that Congress's predictive judgments are entitled

[5] The court of appeals rejected petitioners' contention, raised on their cross-appeal from the district court's judgment, that Section 514 of the URAA is facially unconstitutional. Pet. App. 39-42.

to "substantial deference," and that such deference is especially warranted where, as here, the judgment involves other Branches' assessment of foreign affairs. *Id.* at 16-18. After an extensive review of the record, the court of appeals concluded that "Congress had substantial evidence from which it could reasonably conclude that the ongoing harms to American authors were real and not merely conjectural." *Id.* at 19. The court also found substantial evidence that Section 514 would alleviate such harms to American authors. The court relied on, *inter alia*, testimony "from a number of witnesses that the United States' position on the scope of copyright restoration—which necessarily includes the enforcement against reliance parties—was critical to the United States' ability to obtain similar protections for American copyright holders." *Id.* at 24.

The court of appeals found that Section 514 is narrowly tailored to serve the government's interest, and that the burdens imposed on "reliance parties" are exactly "congruent" to the benefits afforded American copyright holders. Pet. App. 30-31. The court declined to decide precisely what level of protection for reliance parties the Berne Convention requires or permits. *Id.* at 32. The court explained that, even assuming that Section 514 provides greater protection for foreign authors than the Berne Convention requires, the legislation might induce other nations to provide comparable protections to American authors, thereby serving a substantial interest of the United States. See *ibid.*

The court of appeals concluded that, "[a]t its core," petitioners' First Amendment challenge "'reflect[s] little more than disagreement over the level of protection' that reliance parties should receive," Pet. App. 38 (quoting *Turner II*, 520 U.S. at 224), and disagreement with

Congress's chosen balance "between [the interests of] American copyright holders and American reliance parties," *id.* at 38-39. The court explained that, although petitioners "may have preferred a different method of restoring copyrights in foreign works, * * * that is not what the Constitution requires." *Id.* at 38.

ARGUMENT

The court of appeals correctly held that Section 514 of the URAA does not violate the Copyright Clause or the First Amendment. That decision does not conflict with any decision of this Court or any other court of appeals. The court of appeals' decision is fully consistent with the only other appellate ruling that has examined the validity of Section 514 under the Copyright Clause; petitioners' disagreement with the court of appeals' First Amendment ruling is largely factbound; and the First Amendment holding would be subject to affirmance on alternative grounds. Further review is not warranted.

1. Both of the courts of appeals that have decided the question have held that Section 514 of the URAA does not exceed Congress's authority under the Copyright Clause. See Pet. App. 1-42; *Luck's Music Library, Inc.* v. *Gonzales*, 407 F.3d 1262 (D.C. Cir. 2005). Petitioners nevertheless contend (Pet. 19-28) that extending copyright protection to any works in the public domain crosses a constitutional "bright line" and that Congress categorically lacks authority to enact such legislation.[6]

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[6] Contrary to petitioners' contentions (Pet. 11, 21), the government did not "urge[]" such a "bright line" rule in *Eldred*. To the contrary, when Justice Breyer asked about "something" that "is already in the public domain," Solicitor General Olson explained that "I would not want to rule that out." 10/09/2002 Tr. 28-29. In later suggesting that

Petitioners argue that any conferral of copyright protection to works that were previously in the public domain violates the Copyright Clause's requirements that copyrights be granted only for "limited Times" (Pet. 20-23) and only to "promote the Progress of Science and useful Arts" (Pet. 24-28). Those contentions lack merit.

a. The restored copyrights at issue here are granted for "limited Times." The term for a restored copyright is the same length as the term for domestic copyrights that this Court upheld in *Eldred*. To be "limited," the *Eldred* Court explained, the copyright term need not be "forever 'fixed' or 'inalterable'"; rather, it must be "'confine[d] within certain bounds,' 'restrain[ed],' or 'circumscribe[d].'" 537 U.S. at 199 (citations omitted; brackets in original). Section 514 of the URAA is so confined. The protection of a restored work expires on the very day it would have expired had the author been nationally eligible for protection, or successful in complying with the relevant formalities, at the time the work was created. Indeed, a foreign author whose U.S. copyright is restored by the URAA will have a shorter term of copyright protection than a U.S. author whose work was created on the same day, since the term of protection for the foreign author's copyright will begin at a later date but both copyrights will expire simultaneously.

Petitioners contend (Pet. 23) that restoration of copyright protection to works in the public domain is contrary to the history and tradition of United States copyright law. As the district court (Pet. App. 121-143) and the D.C. Circuit (*Luck's Music Library*, 407 F.3d at

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there was a "bright line" for works already in the public domain, Solicitor General Olson was responding to a question about works as to which the statutory copyright term had previously "expired." *Id.* at 44.

1265) explained, that is incorrect as a historical matter.[7] But even if such restoration were unprecedented, that departure from historical practice would not cast doubt on the fact that copyrights restored pursuant to Section 514 are for "limited Times" as the Copyright Clause requires. Rather, as in *Eldred*, 537 U.S. at 222, "[b]eneath the facade of their inventive constitutional interpretation," the crux of petitioners' argument is a policy disagreement with Congress. Cf. Pet. App. 38.

b. Petitioners contend (Pet. 24-28) that Section 514 is inconsistent with the preamble to the Copyright Clause (which authorizes Congress to act "To promote the Progress of Science and useful Arts") because the preamble imposes a "public purpose" requirement and Section 514 (in petitioners' view) serves only the private

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[7] The restoration of copyright in unprotected works began with the first copyright act in 1790, which provided copyright protection for "any map, chart, book or books already printed within these United States." Act of May 31, 1790, ch. 15, § 1, 1 Stat. 124. In extending copyright to all works already published in the United States, the First Congress "anticipated the removal of some works from the public domain," and "evidently determined that such a practice was constitutionally permissible." Pet. App. 135; see *Luck's Music Library*, 407 F.3d at 1265. In the twentieth century, both Congress and the Executive provided for the restoration of foreign works on multiple occasions. See, *e.g.*, An Act to Amend and Consolidate the Acts Respecting Copyright, ch. 320, § 8, 35 Stat. 1077 (authorizing the President to determine whether a foreign nation granted sufficient copyright protection to American works, in which case the foreign citizens would receive reciprocal protection in the United States); Act of Dec. 8, 1919, ch. 11, 41 Stat. 368 (authorizing restoration of copyright protection to foreign works published abroad without the necessary formalities after World War I); Emergency Copyright Act of 1941, ch. 421, 55 Stat. 732 (authorizing restoration of copyright to foreign works when the author was "temporarily unable to comply with [copyright formalities] because of the disruption or suspension of facilities essential for such compliance" during World War II).

interests of American authors. Petitioners did not raise their "public purpose" argument below, and they identify no decision in which any court has interpreted the preamble as a limitation on the power of Congress. See *Eldred*, 537 U.S. at 211 (noting that the plaintiffs in that case did not suggest "that the Clause's preamble is an independently enforceable limit on Congress's power").

In *Eldred*, this Court rejected the heightened standard of review proposed by the dissent and instead reaffirmed that courts should ask only whether Congress rationally exercised its legislative authority. 537 U.S. at 204-205. The Court made clear "that it is generally for Congress, not the courts, to decide how best to pursue the Copyright Clause's objectives." *Id.* at 212; *id.* at 205 ("[I]t is Congress that has been assigned the task of defining the scope of the limited monopoly that should be granted to authors . . . in order to give the public appropriate access to their work product.") (citation omitted; brackets in original). As the court of appeals correctly held, Section 514 satisfies that appropriately deferential standard of review.[8]

The statute at issue in *Eldred* extended the duration of existing copyright terms in order to, *inter alia*, conform United States law to the practice of the European Union countries and "ensure that American authors would receive the same copyright protection in Europe as their European counterparts." 537 U.S. at 205-206.

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[8] Petitioners rely on *Kelo* v. *City of New London*, 545 U.S. 469 (2005), which addressed the "public use" requirement of the Fifth Amendment. But the Court in *Kelo* recognized that even where a "public use" restriction was explicit in the text of the constitutional provision, the Court must still defer to legislative judgments. *Id.* at 483-484. And, as the Court further noted, "the government's pursuit of a public purpose will often benefit individual private parties." *Id.* at 485.

Likewise, Congress enacted Section 514 of the URAA to attain indisputable compliance with the Berne Convention and to ensure that American authors would receive reciprocal copyright protections in other member nations. Although petitioners suggest (Pet. 27) that endeavoring to protect American authors abroad is an impermissible "private" purpose, this Court in *Eldred* declined to "second-guess" an analogous legislative determination. 537 U.S. at 205, 208. The Court recognized that "[t]he economic philosophy behind the [Copyright] [C]lause . . . is the conviction that encouragement of individual effort by personal gain is the best way to advance public welfare through the talents of authors and inventors," and that "[r]ewarding authors for their creative labor and 'promot[ing] . . . Progress' are thus complementary." *Id.* at 212 n.18 (citations omitted; brackets in original).

Petitioners rely in part (Pet. 24, 28) on this Court's statement in *Graham* v. *John Deere Co.*, 383 U.S. 1, 6 (1966), that "Congress may not authorize the issuance of patents whose effects are to remove existent knowledge from the public domain, or to restrict free access to materials already available." Petitioners' reliance on *Graham* is misplaced. The Court in *Graham* addressed "an invention's very eligibility for patent protection," not the duration or restoration of protection for which an invention was otherwise eligible. *Eldred*, 537 U.S. at 202 n.7. Moreover, this Court has often recognized "that patents and copyrights do not entail the same exchange" and that, in light of the distinctions between the two kinds of intellectual property, "one cannot extract from language in [the Court's] patent decisions" the constitutional rules applicable to copyright cases. *Id.* at 216-217. For those reasons, and for all the reasons discussed by the court of

appeals (Pet. App. 83-85) and the D.C. Circuit (*Luck's Music Library*, 407 F.3d at 1266), *Graham* does not support petitioners' argument.[9]

2. The court of appeals also correctly concluded that Section 514 of the URAA does not violate the First Amendment. The court's application of the well-settled intermediate-scrutiny standard to the particular statute at issue here does not conflict with any decision of this Court or any other court of appeals. See Pet. 15 (acknowledging that no other court of appeals has addressed the First Amendment claim asserted by petitioners). Further review is especially unwarranted because the court of appeals' decision would be subject to affirmance on alternative grounds.

a. The parties agree that Section 514 of the URAA is a content-neutral statute and that, to the extent any First Amendment scrutiny is warranted (see pp. 21-25, *infra*), intermediate scrutiny is the applicable standard. A content-neutral statute "will be sustained under the First Amendment if it advances important governmental interests unrelated to the suppression of free speech and does not burden substantially more speech than necessary to further those interests." *Turner II*, 520 U.S. at

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[9] The Copyright Clause is merely one of Congress's enumerated powers. Section 514 also can be justified as, for example, an exercise of the power to regulate foreign commerce. See, *e.g.*, *Heart of Atlanta Motel, Inc.* v. *United States*, 379 U.S. 241, 250 (1964); *United States* v. *Moghadam*, 175 F.3d 1269, 1277-1279 (11th Cir. 1999) (stating that *Heart of Atlanta Motel* and its progeny "suggest that in some circumstances the Commerce Clause can be used by Congress to accomplish something that the Copyright Clause might not allow"), cert. denied, 529 U.S. 1036 (2000). The court of appeals and the district court did not address the Foreign Commerce Clause or other sources of congressional authority to enact Section 514, but they provide alternative grounds for affirmance.

189. Where, as here, protection of the government's interests requires predictive judgments about the likely conduct of foreign sovereigns, deference to the political branches is particularly appropriate. See *id.* at 195 ("courts must accord substantial deference to the predictive judgments of Congress") (citation omitted); *Regan* v. *Wald*, 468 U.S. 222, 242 (1984) (discussing courts' "classical deference to the political branches in matters of foreign policy"). Applying those principles, the court of appeals correctly held that Section 514 does not violate the First Amendment.

The quantity of speech affected by Section 514 of the URAA is relatively small. Notwithstanding Section 514, petitioners remain free to discuss the ideas expressed in any work as to which copyright protection has been restored; to make "fair use" of the relevant works; to continue to exploit existing works until one year after notice has been given; and to exploit derivative works indefinitely so long as petitioners pay reasonable compensation. See pp. 5-6, *supra*. Even beyond those safeguards, Title 17 contains a host of other exclusions from a copyright holder's enforcement rights. See 17 U.S.C. 108-122 (2006 & Supp. III 2009). For example, Section 110 of Title 17 precludes infringement actions for certain musical performances undertaken for nonprofit, educational, or charitable purposes. And, as this Court recognized in *Eldred*, 537 U.S. at 221, the First Amendment "bears less heavily when speakers assert the right to make other people's speeches," as petitioners do here.[10]

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[10] Petitioners contend (Pet. 15-17, 31-32) that the court of appeals erred in relying in part on the fact that petitioners seek to make "other people's speeches"—a contention they claim was rejected by the first court of appeals' panel. But the first panel did not purport to reject the view that the First Amendment "bears *less heavily* when speakers

Section 514 furthers three important governmental interests: (1) attaining indisputable compliance with international agreements, (2) obtaining legal protections for American copyright holders' interests abroad, and (3) remedying past inequitable treatment of foreign authors who lost or never obtained copyrights in the United States. The court of appeals focused exclusively on the second interest, but the other two interests provide alternative grounds for affirmance.

Petitioners acknowledge (Pet. 30-31, 35) that "[p]articipating in and complying with Berne may represent an important [g]overnment interest," and that "there may have been substantial evidence suggesting the failure to comply with Berne would subject the United States to trade sanctions and other real harms." They nevertheless suggest (Pet. 29-31) that Section 514 cannot be sustained on that basis because, in their view, Section 514 was "unnecessary" to comply with the Berne Convention. But in acting to ensure this country's compliance with its treaty obligations, and to avoid the harms that perceived noncompliance might entail, Congress was not limited to the measures that a court might deem essential to avoid a treaty violation. Rather, Congress could reasonably seek to build in a margin of safety by affording to foreign authors some protections that the Berne Convention might or might not require, in order to ensure *indisputable* compliance with the

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assert the right to make other people's speeches." *Eldred*, 537 U.S. at 221 (emphasis added). And while the economic reliance interests in *Eldred* may have been different, the First Amendment interests in making another person's speech are the same. In any case, any conflict between the interlocutory and final decisions of a court of appeals in the same case would not warrant this Court's review. Cf. *Wisniewski* v. *United States*, 353 U.S. 901, 902 (1957).

Convention. Based on all of the evidence in the record, Congress could reasonably have determined that any "restoration" that allowed reliance parties to continue exploiting otherwise restored works unchecked, on a permanent basis, would fall short of its legislative purpose of ensuring unassailable compliance with the Berne Convention. See Sam Ricketson & Jane C. Ginsburg, *International Copyright and Neighbouring Rights: The Berne Convention and Beyond* 343 (2d ed. 2006) (explaining that to comply with Article 18, "a situation must eventually be reached when the work is protected in relation to all persons," including reliance parties).

Petitioners contend (Pet. 29-33) that the court of appeals erred in finding "important" the government's interest in securing protection to American authors abroad. They argue (Pet. 30) that the court "made no attempt to explain how providing these benefits to U.S. authors could or would provide any benefits to the U.S. public, or why it is appropriate for reliance parties like [p]etitioners to bear any burden on their speech rights for the sake of enriching U.S. authors." But as the court of appeals explained, "[s]ecuring foreign copyrights for American works preserves the authors' economic and expressive interests" (including the constitutionally recognized freedom not to speak), and "[t]hese interests are at least as important or substantial as other interests that [this] Court has found to be sufficiently important or substantial to satisfy intermediate scrutiny." Pet. App. 14-15 (citing *Members of the City Council* v. *Taxpayers for Vincent*, 466 U.S. 789, 807 (1984)).

Petitioners also argue (Pet. 35) that "the [g]overnment did not meet its burden of demonstrating there was any real harm or threat that would justify imposing any restrictions on the speech rights of [p]etitioners or

the public." See Pet. 34-37. But, as the court of appeals held, the record proves otherwise. The testimony before Congress demonstrated that "the United States' position on the scope of copyright restoration—which necessarily includes the enforcement against reliance parties—was critical to the United States' ability to obtain similar protections for American copyright holders" abroad. Pet. App. 24; see *id.* at 18-29 (detailing testimony). According appropriate deference to predictive judgments by the political branches and to their primacy in the realm of foreign relations, the court of appeals reasonably concluded that Congress's judgment was supported by substantial evidence. *Id.* at 28-29. Indeed, it stands to reason that member nations would be unlikely to grant full copyright protection to the works of American authors if the United States were to grant a permanent license to all reliance parties. Cf. *FCC* v. *Fox Television Stations, Inc.*, 129 S. Ct. 1800, 1813 (2009) (challenger cannot "demand a multiyear controlled study" to support commonsense conclusion). Petitioners of course disagree with Congress's balancing of these competing interests, but such disagreement does not render that legislative judgment unconstitutional. Pet. App. 38; *Eldred*, 537 U.S. at 222 ("Beneath the facade of their inventive constitutional interpretation, petitioners forcefully urge that Congress pursued very bad policy.").

b. In any event, review of the court of appeals' application of intermediate scrutiny to Section 514 of the URAA is not warranted because Section 514 should not have been subject to First Amendment scrutiny in the first instance. This Court stated in *Eldred* that when "Congress has not altered the traditional contours of copyright protection, further First Amendment scrutiny

is unnecessary." 537 U.S. at 221. In its initial opinion in this case, the court of appeals concluded that Section 514 was subject to further First Amendment scrutiny under that standard because "the traditional contours of copyright protection include the principle that works in the public domain remain there and * * * [Section] 514 transgresses this critical boundary." Pet. App. 90. That analysis reflects a misreading of *Eldred*.[11]

Read in context, this Court's reference to the "traditional contours of copyright protection" describes the two First Amendment accommodations built into copyright law: the "idea/expression dichotomy" (*i.e.*, the principle that federal copyright law "distinguishes between ideas and expression and makes only the latter eligible for copyright protection") and the doctrine of "fair use." 537 U.S. at 219-220; see 17 U.S.C. 102(b), 107. After describing "these traditional First Amendment safeguards," 537 U.S. at 220, the Court in *Eldred* explained that, "when speakers assert the right to make other people's speeches * * *, copyright's built-in free speech safeguards are generally adequate to address" any resulting First Amendment concerns, *id.* at 221. Although it recognized that copyright protections are not "categorically immune from challenges under the First Amendment," the Court concluded that "when * * * Congress has not altered the traditional contours of copyright protection, further First Amendment scrutiny is unnecessary." *Ibid.* The clear thrust of that discussion is that, so long as Congress preserves the idea/expression dichotomy and the established "fair use" defense, any incidental burden on expression that copy-

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[11] As discussed above (p. 14 & n.7, *supra*), the court of appeals also misread the relevant history.

right protection entails raises no First Amendment concern. The Court did not announce a new rule—never before articulated in its jurisprudence—that a potential First Amendment violation occurs whenever Congress expands the scope of copyright protection in a way that "deviates from [a] time-honored tradition," Pet. App. 98.[12]

The court of appeals' reading is inconsistent with *Eldred*, with the views of every other court to consider this issue, and with established First Amendment doctrine. First, although the *Eldred* Court certainly considered the copyright term extensions at issue to be consistent with past practice, 537 U.S. at 200-204, it did not dispose of the First Amendment question on those grounds. Instead, the Court discussed at length the unique features of copyright law that secure First Amendment values. The Court did not suggest, let alone hold, that "deviat[ion] from [a] time-honored tradition" (Pet. App. 98) triggers First Amendment scrutiny. Second, every other court to consider this issue after *Eldred* has held that First Amendment scrutiny is unwarranted in this area so long as the idea/expression dichotomy and the "fair use" doctrine are retained. See *Kahle* v. *Gonzales*, 487 F.3d 697, 700 (9th Cir. 2007) (holding that "traditional First Amendment safeguards such as fair

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[12] Indeed, the Court in *Eldred* stressed that copyright protection also exists to serve First Amendment values; its purpose is "to *promote* the creation and publication of free expression," 537 U.S. at 219, by supplying "the economic incentive to create and disseminate ideas," *ibid.* (quoting *Harper & Row, Publishers, Inc.* v. *Nation Enters.*, 471 U.S. 539, 558 (1985) (*Harper & Row*)). The power to restrict others' exploitation of a work, including the creation of derivative works from the original, similarly protects a First Amendment interest *not* to speak. See *Harper & Row*, 471 U.S. at 559-560.

use and the idea/expression dichotomy are sufficient to vindicate the speech interests affected by" the challenged copyright statutes), cert. denied, 552 U.S. 1096 (2008); *Chicago Bd. of Educ.* v. *Substance, Inc.*, 354 F.3d 624, 631 (7th Cir. 2003) ("The First Amendment adds nothing to the fair use defense."), cert. denied, 543 U.S. 816 (2004); *Luck's Music Library, Inc.* v. *Ashcroft*, 321 F. Supp. 2d 107, 119 (D.D.C. 2004) (holding that "Congress has not altered the traditional contours of copyright protection" because the URAA "does not alter First Amendment accommodations such as the idea/expression dichotomy or the fair-use doctrine").

Third, mere "deviat[ion]" from past copyright practice is irrelevant to First Amendment values. For example, Congress's elimination in 1988 of the requirement to affix a copyright notice surely departed in some sense from traditional copyright protection (which had long required such notice), but it raised no meaningful First Amendment issue. What matters for First Amendment analysis is whether Congress has altered copyright's traditional First Amendment safeguards—fair use and the idea/expression dichotomy—so as to create obstacles to others' use of copyrighted material in the course of making their own speech. That is why the Court in *Eldred* referred to the "traditional contours of copyright *protection*." 537 U.S. at 221 (emphasis added); see *Kahle*, 487 F.3d at 700 (upholding copyright extensions that "left intact 'built-in First Amendment accommodations' such as the idea/expression dichotomy and fair use") (quoting *Eldred*, 537 U.S. at 219).

Section 514 of the URAA leaves these traditional safeguards of First Amendment interests intact.[13] Under Section 514, the idea/expression dichotomy and the doctrine of fair use apply to the restored copyrights of foreign authors in just the same way that they apply to the copyrights of American authors. More generally, copyrights restored pursuant to Section 514 last for precisely the same term, expire on precisely the same day, and offer substantially the same protections against others' exploitation as the copyrights granted to American authors under the pre-existing statutory scheme. Indeed, the only meaningful difference between restored and other copyrights is that the holders of restored copyrights obtain somewhat *less* protection against certain types of infringement, since Section 514 affords "reliance parties" an opportunity for continued exploitation of a restored work if no notice is provided, a one-year grace period after notice is provided, and the right to exploit derivative works indefinitely by paying reasonable compensation. See *Luck's Music Library*, 321 F. Supp. 2d at 119.

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[13] In contrast, "[e]liminating the fair use doctrine" and "expanding copyright protection to cover facts" and ideas (Pet. 32) would, by definition, directly alter the "traditional contours of copyright protection" identified in *Eldred*.

CONCLUSION

The petition for a writ of certiorari should be denied.

Respectfully submitted.

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JANUARY 2011

REPLY BRIEF

No. 10-545

In The
Supreme Court of the United States

LAWRENCE GOLAN, ESTATE OF RICHARD KAPP, S.A. PUBLISHING CO., INC. d/b/a ESS.A.Y. RECORDINGS, SYMPHONY OF THE CANYONS, RON HALL d/b/a FESTIVAL FILMS, and JOHN MCDONOUGH d/b/a TIMELESS VIDEO ALTERNATIVES INTERNATIONAL,

Petitioners,

v.

ERIC H. HOLDER, JR., in his Official Capacity as Attorney General of the United States, and MARIA PALLANTE, in her Official Capacity as Acting Register of Copyrights,

Respondents.

On Petition For A Writ Of Certiorari To The United States Court Of Appeals For The Tenth Circuit

REPLY TO BRIEF IN OPPOSITION

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TABLE OF CONTENTS

		Page
I.	**This Case Raises Issues Of Exceptional Public Importance, Which This Court Should Decide Now**	2
II.	**The Tenth Circuit's Decision Conflicts With This Court's Prior Decisions, Which Demonstrate Congress Has No Power To Remove Material From The Public Domain To Create Private Economic Windfalls**	4
	A. Limited Times	4
	B. Public Purpose	7
	C. Other Powers	8
III.	**The Tenth Circuit's Decision Conflicts With This Court's Prior Decisions By Creating An Unprecedented Government Interest In Sacrificing Public Speech Rights To Create Private Economic Windfalls**	9
IV.	**Section 514 Alters Traditional Contours Of Copyright Protection And Merits Full First Amendment Scrutiny**	13

TABLE OF AUTHORITIES

Page

FEDERAL CASES

Bonito Boats, Inc. v. Thunder Craft Boats, Inc., 489 U.S. 141 (1989) 2

Boos v. Barry, 485 U.S. 312 (1988) 10

Bullfrog Films, Inc. v. Wick, 646 F.Supp. 492 (C.D. Cal. 1986) 10

Bullfrog Films, Inc. v. Wick, 847 F.2d 502 (9th Cir. 1988) 10

Eldred v. Ashcroft, 537 U.S. 186 (2003) 4, 5, 7, 13, 14

Fox Film Corp. v. Doyal, 286 U.S. 123 (1932) 7

Gonzales v. O Centro Espirita Beneficente Uniao do Vegetal et al., 546 U.S. 418 (2006) 10

Graham v. John Deere Co., 383 U.S. 1 (1966) 4, 5, 7

Railway Labor Executives' Assoc. v. Gibbons, 455 U.S. 457 (1982) 9

Sony Corp. of Am. v. Universal City Studios, Inc., 464 U.S. 417 (1984) 4, 5, 7

STATUTES

17 U.S.C. § 104 6

CONSTITUTIONAL PROVISIONS

U.S. Const., art. I, § 8, cl. 8 ..... 4, 7

The Government's brief underscores the need for review here. The Government does not dispute core speech rights are at stake, decades of reliance and settled business expectations have been upended, or the new uncertainty that has been created about what were once clear and settled boundaries of copyright law. Instead, the Government focuses almost entirely on merits questions. Its extensive discussion of these questions, attempts to minimize Petitioners' speech rights, and demand for broad latitude to sell off the Public Domain highlight the importance of the questions presented here and the need for this Court to address them.

The Government cannot avoid the fact Section 514 did something unprecedented in the history of American intellectual property law and constitutionally profound: In taking thousands upon thousands of works out of the Public Domain and placing them under copyright protection, Section 514 took speech and expression rights that once belonged to Petitioners and the American public and placed them under the control of private foreign owners. The question here is whether that unprecedented transfer of speech rights is constitutional. That is a question this Court has never addressed, and one it should decide now.

I. This Case Raises Issues Of Exceptional Public Importance, Which This Court Should Decide Now

The Public Domain has long marked a clear boundary. Once a work entered the Public Domain, it remained there, free for all to use, perform, adapt and distribute. *See* Pet. 11-14; *Bonito Boats, Inc. v. Thunder Craft Boats, Inc.*, 489 U.S. 141, 153 (1989) (recognizing the constitutional and statutory policy "of allowing free access to copy whatever the federal patent and copyright laws leave in the public domain"). This boundary protects fundamental speech and expression rights because the right to perform, publish and distribute creative works are core First Amendment freedoms. *See* Pet. 16. It advances fundamental goals of the Progress Clause and the Copyright Act because it guarantees new authors will be free to create new expression by using old works as the building blocks of future creativity. *See* Pet. 17. And it protects reliance interests, because those who invest time and money in locating, preserving and distributing Public Domain works do so on the expectation their investment will not be expropriated arbitrarily. *See* Pet. 18. If the Government is free to remove material from the Public Domain at will, then all of these critical protections are in jeopardy. By erasing the clear boundary the Public Domain once marked, Section 514 interferes with Petitioners' core speech rights and these important public interests.

The Government does not dispute this. Instead, it contends Petitioners' speech interests are diminished because they assert only the right to make "other peoples' speeches." *See* Brief in Opposition ("BIO") at 18 and n.10. That is obviously not so. Petitioners, like all of us, were the owners of the common property that Section 514 removed from the Public Domain. "[T]he speech at issue here belonged to plaintiffs when it entered the public domain." Pet. App. 101. Section 514 took away Petitioners' ***vested speech rights***, not simply the right to make "other peoples' speeches." *See* Pet. App. 102. The fact Petitioners are not the original authors of the works they were once free to perform, publish and distribute does not diminish the strength of Petitioners' First Amendment interests. The right to perform Shakespeare is not diminished by the fact the words were written by somebody else, just as Disney's right to enforce its copyrights in the work of A. A. Milne is not diminished by the fact that work is not original to Disney. The right to perform, publish, and distribute creative works are core First Amendment freedoms regardless of authorship. *See* Pet. 16-17. That is why the Tenth Circuit recognized Petitioners' speech claims fall "near the core" of the First Amendment. *See* Pet. App. 99.

The Government also contends the quantity of speech affected here is "small." BIO 18. Again, not so. The Copyright Office received nearly 50,000 Notices of Intent to Enforce restored copyrights,

many of which cover works of indisputable importance. *See* Pet. 3-5.

Section 514 destroyed important rights of speech and expression held by Petitioners and the public. The Government's refusal to acknowledge the importance of these rights highlights the need for review here.

II. The Tenth Circuit's Decision Conflicts With This Court's Prior Decisions, Which Demonstrate Congress Has No Power To Remove Material From The Public Domain To Create Private Economic Windfalls

A. Limited Times

The Progress Clause authorizes Congress to provide copyright protection only for "limited Times." U.S. Const., art. I, § 8, cl. 8; *Eldred v. Ashcroft*, 537 U.S. 186, 199 (2003). The purpose of this limitation is to ensure broad dissemination of works that are no longer under copyright protection and to "induce release to the public of the products of [an author's] creative genius." *Sony Corp. of Am. v. Universal City Studios, Inc.*, 464 U.S. 417, 429 (1984). Accordingly, this Court has recognized the Progress Clause does not allow Congress "to restrict free access to materials already available" in the Public Domain. *Graham v. John Deere Co.*, 383 U.S. 1, 5-6 (1966). Yet that is precisely what Section 514 does.

Relying on *Eldred*, the Government contends Section 514 meets the "limited Times" restriction

because restored copyrights will eventually expire. BIO 13-14. Not so. *Eldred* held Congress has the power to ***extend*** the term of ***existing*** copyrights. It did not hold Congress has the power to remove materials from the Public Domain and place them under copyright anew. That distinction is critical. The "limited Times" restriction must be read in conjunction with its purpose, which is to guarantee free access and wide dissemination of unprotected works. *See, e.g.*, *Sony*, 464 U.S. at 429; *Graham*, 383 U.S. at 5-6. Extending the term of existing copyrights will delay this dissemination, but does not destroy vested public speech rights or reliance interests. Removing material from the Public Domain does exactly that. It destroys the incentive to release, distribute and disseminate Public Domain works because it shows the investment and effort required to do so may be expropriated at any time. Copyright restoration therefore thwarts the purpose of the "limited Times" restriction in ways copyright extension does not.

The Government highlighted this distinction and the basis for it when it explained to this Court that "the public domain likely presented a 'bright line' because once 'something . . . has already gone into the public domain [] other individuals or companies or entities may have then acquired an interest in, or rights to be involved in disseminating [the work]." Pet. 21. This is the reason that ***restoration*** is different than ***extension***, and why the reliance interest is critical. Unlike the extension at issue in *Eldred*, Section 514 crosses the "bright line" the Government

identified and interferes with the specific reliance interest the Solicitor General referred to, because each Petitioner here relied on the Public Domain status of the works they performed, adapted or distributed. *See* Pet. App. 101.

The Government tries to walk away from the "bright line" it urged by suggesting it would apply only to works whose copyright had "expired." BIO n.6. Yet Section 514 applies on its face to many works whose copyright "expired" for lack of renewal. *See* 17 U.S.C. § 104(A)(h)(6)(C)(i). Moreover, the reliance interest underlying the "bright line" applies to any material in the Public Domain, no matter how it got there, or when. By drawing distinctions based on how material reached the Public Domain and when, Section 514 creates complexity, uncertainty and ambiguity where there was none. The Government also contends that restoring copyrights is in line with traditional practice. *See* BIO 13-14. In fact, the Tenth Circuit rejected that argument explicitly and held the "history of American copyright law reveals no tradition of copyrighting works in the public domain." Pet. 23; Pet. App. 93-98.

The Government's attempt to disavow the "bright line" it drew around the Public Domain, and the basis for drawing it, further highlights the need for review here.

B. Public Purpose

The Progress Clause empowers Congress to legislate for a specific and limited purpose: to "promote the Progress of Science and useful Arts." U.S. Const., art. I, § 8, cl. 8. Accordingly, this Court has recognized that Congress must exercise its Progress Clause power to serve public, not private interests. *See Sony*, 464 U.S. at 439 and n.10; *Fox Film Corp. v. Doyal*, 286 U.S. 123, 127 (1932); *Graham*, 383 U.S. at 5-6. By restoring copyrights in foreign works created long ago, Section 514 creates nothing more than private economic windfalls for foreign authors, and potential windfalls for American authors. Pet. 24-28.

Relying again on *Eldred*, the Government contends Section 514 satisfies the public purpose limitation because Congress enacted Section 514 to participate in the Berne Convention and obtain the public benefits that follow from Berne participation. *See* BIO 16 (citing *Eldred*, 537 U.S. at 205-06). If that were the case, Section 514 might plausibly serve the public function the Progress Clause demands in the same manner *Eldred* identified. *See Eldred*, 537 U.S. at 205-06, 213. But that is not the case.

On remand, the District Court held the plain terms of Berne showed Congress did ***not*** need to enact Section 514 in its present form in order to comply with Berne. *See* Pet. App. 62. The Tenth Circuit left that holding undisturbed in its second panel decision.

The plain text of Berne demonstrates that Congress did not need to enact Section 514 in its present form in order to obtain any public benefits that Berne participation might create, and it could have complied with Berne while providing greater protection for Petitioners' speech interests. By allowing foreign authors to enforce rights that used to belong to the American public, Congress provided foreign authors with an economic windfall Berne does not require. Proponents of Section 514 may have believed that U.S. authors would eventually receive a similar windfall if foreign nations were to reciprocate by also providing protection for U.S. authors that is greater than Berne requires. In either case, Section 514 creates economic benefits for authors of works created long ago, who had no basis to expect this expanded protection. It therefore sacrifices public speech rights to create private economic benefits with no corresponding public benefit such as Berne participation or increasing the incentive to create new works of authorship.

The Government's insistence that the Progress Clause empowers Congress to give away the Public Domain to create private economic windfalls again highlights the need for review here.

C. Other Powers

In a footnote, the Government suggests that other enumerated powers may provide Congress with authority to enact Section 514 even if the Progress Clause does not. *See* BIO 17. Not so here. A general

grant of power to regulate, for example, foreign commerce, cannot free Congress from the specific limitations the Progress Clause imposes. *See, e.g.*, *Railway Labor Executives' Assoc. v. Gibbons*, 455 U.S. 457, 468-69 (1982) (Congress cannot avoid express limitation in Bankruptcy Clause by invoking Commerce Clause).

III. The Tenth Circuit's Decision Conflicts With This Court's Prior Decisions By Creating An Unprecedented Government Interest In Sacrificing Public Speech Rights To Create Private Economic Windfalls

The parties agreed and the Tenth Circuit held that Section 514 is a content-neutral regulation subject to intermediate scrutiny. *See* BIO 17. Originally, the Government contended Section 514 was justified by its interest in complying with Berne. *See* Pet. 29. But the plain terms of Berne demonstrate the opposite. *See id.* The District Court therefore held that Section 514 burdens substantially more speech than necessary to comply with the Berne Convention, because Berne permitted Congress to provide much greater protection for the speech interests of reliance parties. *See* Pet. 8; Pet. App. 62.

The Government does not argue that issue or dispute that holding here, and the Tenth Circuit left it undisturbed. Instead, the Tenth Circuit adopted the Government's position that foreign policy deference permits it to impose speech restrictions not required

by Berne, and that Section 514 was justified by the Government's asserted interest in protecting U.S. copyright owners abroad. *See* Pet. 30; Pet. App. 13-15. Neither is correct.

The Government's demand for deference to its predictive judgments in matters of foreign policy (*see* BIO 18) is misplaced. No such deference is due where, as here, the Government chooses to implement a treaty in a way that burdens more speech than necessary. *See, e.g.*, *Boos v. Barry*, 485 U.S. 312, 325-27 (1988) (argument that Court should defer to Congressional judgment on how to implement treaty obligations had "little force" given existence of less speech-restrictive alternative); *Bullfrog Films, Inc. v. Wick*, 847 F.2d 502, 511-12 (9th Cir. 1988) (rejecting Government's demand for a "deferential level of scrutiny" simply because treaty implementation "implicate[s] 'the delicate area of foreign relations'"); *Bullfrog Films, Inc. v. Wick*, 646 F.Supp. 492, 510 (C.D. Cal. 1986) (striking down speech regulation where Government "may be capable of discharging the United States' obligation under the Beirut Agreement, while at the same time complying with the Constitution"); *cf. Gonzales v. O Centro Espirita Beneficente Uniao do Vegetal et al.*, 546 U.S. 418, 438 (2006) (generalized assertions of need to honor treaty obligations do not establish sufficiently compelling governmental interest where Government submitted no evidence "addressing the international consequences of granting [limited] exemption" to treaty requirements). Petitioners do not just contend Congress made a bad

policy choice. *See* BIO 21. Petitioners contend Congress imposed unnecessary speech burdens on Petitioners and other reliance parties by refusing to exercise the obvious discretion Berne provides.

The Government asserts the right to impose unnecessary speech burdens on the ground it has an interest in "indisputable compliance" with international agreements, and in enacting protections that a treaty "may or may not require." BIO 19. This is simply another way of demanding the blind deference that is plainly inappropriate here. An interest in "indisputable compliance" has no apparent limit, and an interest in doing things a treaty may or may not require is an interest in doing whatever Congress wishes to do.

The Government likewise stresses the need to avoid the harms of "perceived noncompliance" with Berne. *See* BIO 19. But the Government does not explain how the U.S. would be perceived to be noncompliant when, in fact, providing enhanced protection for Petitioners and other reliance parties is authorized by the plain terms of Berne. *See* Pet. App. 61-62. Nor does the Government point to any evidence in the record that shows Congress was *actually* worried that providing greater protection for reliance parties would plausibly put the U.S. out of compliance.

The concern that was expressed to Congress over and over was not one of compliance, but the need to obtain enhanced protection for U.S. authors abroad,

and the economic benefits those protections generate. *See* Pet. App. 13-15. That is the second interest on which the Government relies here. *See* Pet. 20. But the Government forgets it is the vested speech rights of Petitioners and the American public that are being sacrificed to obtain those economic benefits. (P. 3, *supra*). There is no legitimate interest in sacrificing vested public speech rights to create economic benefits for private interests, foreign or domestic.

Finally, the Government contends that Section 514 balances the competing speech rights of U.S. authors. *See* BIO 20. That is also wrong. U.S. authors were free to speak and did speak when they published their work here and abroad. Nothing in Section 514 interferes with those rights. The only question Section 514 affects is the extent to which U.S. authors might capture additional economic benefits from those works – benefits they had no reason to expect when they created their works.[1]

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[1] The Government also asserts it has an important interest in remedying inequitable treatment of foreign authors. *See* BIO at 19. In fact, Section 514 creates inequity where there was none. Historically, U.S. authors were subject to the same formalities as foreign authors and the same consequences for not complying with those formalities. Section 514 relieves foreign authors of those consequences, but not U.S. authors. The District Court rejected this interest on that basis (Pet. App. 67-68), the Tenth Circuit left that holding undisturbed, and the Government offers no explanation why it has an important interest in treating foreign authors better than U.S. authors in this respect. BIO 19.

The Government's insistence that it has an important interest in giving away vested public speech rights for the purpose of enriching authors here or abroad is another reason this Court should grant review.

IV. Section 514 Alters Traditional Contours Of Copyright Protection And Merits Full First Amendment Scrutiny

The Government finishes by contending its interference with Petitioners' core speech rights should not be subject to any First Amendment review. *See* BIO 21-26.

Relying on *Eldred*, the Government contends that so long as Congress "preserves the idea/expression dichotomy and the established 'fair use' defense," copyright legislation is immune from any further First Amendment review. *See* BIO 22-23. But *Eldred* offers no such categorical immunity. On the contrary, it rejected the D.C. Circuit's conclusion that copyright legislation is categorically immune from First Amendment review. *See Eldred*, 537 U.S. at 221. It held term extension was not subject to ordinary First Amendment scrutiny because Congress had extended existing copyright terms on many occasions, so extension was consistent with practice and tradition. *See id.* at 199-204, 221. Here the "history of American copyright law reveals no tradition of copyrighting works in the public domain." Pet. App. 93. Nor are the "built-in free speech safeguards"

of idea/expression or fair use adequate to protect Petitioners' speech interests because they do not replace the unrestricted right Petitioners once had to perform, publish, distribute and use the works that Section 514 removed from the Public Domain. *See* Pet. App. 102-03.

The suggestion that *Eldred* immunizes the Government from any First Amendment scrutiny when it takes away vested public speech rights is yet another reason this Court should grant review.

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AMICUS CURIAE BRIEF

RECORD AND BRIEFS

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In The
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LAWRENCE GOLAN, ET AL.,
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v.

ERIC H. HOLDER, JR., ATTORNEY GENERAL, ET AL.,
Respondents.

On Petition for Writ of Certiorari to the United States Court of Appeals for the Tenth Circuit

BRIEF OF THE CONDUCTORS GUILD AS *AMICUS CURIAE* SUPPORTING PETITIONERS

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TABLE OF CONTENTS

Page

INTEREST OF *AMICUS CURIAE* 1

SUMMARY OF ARGUMENT 2

ARGUMENT 3

I. Section 514's amendment to the Copyright Act retroactively grants copyright protection to works previously in the public domain 3

II. This new grant of copyright protection has a direct and dramatic effect on the ability of musicians and orchestras to perform these works. 4

III. A survey of Guild members demonstrates the practical consequences of Section 514. 6

CONCLUSION 10

TABLE OF AUTHORITIES

Page(s)

Cases

Dam Things from Denmark v. Russ Berrie & Co., Inc. 290 F.3d 548 (3d Cir. 2002) 9

Statutes

17 U.S.C. § 104A(h)(6)(C) 3

Uruguay Round Agreements Act, Act of Dec. 8, 1994 Pub. L. No. 103-465, 108 Stat. 4809 2

Constitutional Provisions

First Amendment 3

INTEREST OF *AMICUS CURIAE*

The Conductors Guild is the only music service organization devoted exclusively to the advancement of the art of conducting and to serving the artistic and professional needs of conductors. It has a membership of over 1,600 members representing all fifty United States and more than thirty other countries.[1] Many of its members serve as music directors and conductors for smaller orchestras that rely on the availability of classical works in the public domain for their performances.

The Guild is concerned with the art and the craft of conducting, with practical problems encountered within the profession, with repertoire, and with the multiple roles that Music Directors must fulfill in orchestras, choruses, opera and ballet companies, wind ensembles, bands, musical theater, and other instrumental and vocal ensembles. Its mission extends to any such ensemble, whether professional or amateur, functioning independently or within the context of colleges, universities, or secondary schools. The Guild's overall goal is to enhance the professionalism of conductors by serving as a clear-

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[1] The parties have consented to the filing of this brief.

Counsel of record for all parties received notice at least 10 days prior to the due date of the amicus curiae's intention to file this brief.

No counsel for a party authored this brief in whole or in part, and no counsel or party made a monetary contribution intended to fund the preparation or submission of this brief. No person other than amicus curiae, its members, or its counsel made a monetary contribution to its preparation or submission.

inghouse for information regarding the art and practice of conducting, and to support the artistic growth of orchestras, bands, choruses, and other conducted ensembles. The Guild also has the broader role of expressing the views and opinions of the conducting profession to the music community.

SUMMARY OF ARGUMENT

This case presents issues of enormous importance warranting this Court's review. Section 514,[2] alone among amendments to the Copyright Act, has the effect of making previously available works of art effectively unavailable. Permitting Section 514 to remove from the public domain many landmark works of twentieth-century music imposes a tremendous financial burden on local and regional music organizations. Perhaps more important, it also risks preventing a new generation of performers and music lovers from experiencing a transformative period in musical innovation—works by Prokofiev, Stravinsky, Shostakovich, and others.

While certain privileged musical organizations in larger cities can afford to continue performing such works, their musicians and patrons are a tiny fraction of musicians and music lovers in this country. Most Americans are exposed to the arts not by these few wealthy entities, but in their schools and local communities. These smaller musical entities face limited and inflexible budgets, and removing important works from the public domain will force them to

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[2] "Section 514" refers to the corresponding section of the Uruguay Round Agreements Act ("URAA"). Act of Dec. 8, 1994, Pub. L. No. 103-465, 108 Stat. 4809.

forego performing these works at all. Section 514 therefore will harm not only the Guild's members, but also the millions of music students and audience members throughout the country.

Preventing the performance of works that have long been in the public domain cannot be squared with the First Amendment. This Court should therefore grant review.

ARGUMENT

I. Section 514's amendment to the Copyright Act retroactively grants copyright protection to works previously in the public domain.

In 1994, Congress enacted the Uruguay Round Agreements Act ("URAA"). Section 514 of that Act "restores" copyrights in foreign works that were formerly in the public domain in the United States for one of three specified reasons: failure to comply with formalities, lack of subject-matter protection, or lack of national eligibility. *See* 17 U.S.C. § 104A(h)(6)(C). In sum, public-domain works that previously had been available to all have now been granted copyright protection

Congress thus removed from the public domain a vast number of important works by foreign composers and granted them for the first time the protection of United States copyright law. These works include numerous landmarks of twentieth-century music that were composed by the most important composers of their day. Works by composers such as Sergei Prokofiev, Igor Stravinsky, and Dmitri

Shostakovich are central to the repertoire of any orchestral group interested in twentieth-century classical music. They are also works that any music lover must experience to fully appreciate the evolution of classical music over the past hundred years.

II. This new grant of copyright protection has a direct and dramatic effect on the ability of musicians and orchestras to perform these works.

A brief overview of how copyright protection influences the way in which orchestras perform will aid in appreciating the dramatic effect of removing these seminal works from the public domain.

If an orchestra wishes to perform a work in the public domain, it typically has two choices. Either it can purchase the necessary sheet music for its collection, or it can rent copies of the sheet music. For a work subject to copyright protection, however, there is typically only one option—renting the sheet music. Moreover, even if an orchestra purchased sheet music before implementation of Section 514, a copyright-protected work can be performed only upon payment of a separate performance fee or purchase of a blanket license.

Rental fees for copyright-protected music are an enormous financial burden on small orchestras. Despite the fact that sheet music rentals are charged on a per-performance basis, the fees are normally between three and four times the purchase price for sheet music for a work in the public domain. And of course, unlike an ensemble that owns the sheet music for a work in the public domain, an ensemble

wishing to perform a copyright-protected work must pay rental fees every time the work is performed. Fees thus continue to accumulate season after season. Even when a group is able to pay the rental fees, the recurring performance fees often prevent repeated productions. And when orchestral parts of a copyright-protected work are rented, the parts may not be duplicated for any reason, save for "emergency" replacement in the event that certain necessary parts are missing, damaged, or destroyed. Such emergency copies, however, must be destroyed promptly after the performance takes place.

Rental fees for a full orchestration of a copyright-protected work can be $800 or more for a single performance. Rental costs are even higher for an orchestral group that requires a longer period of rehearsals, such as a student orchestra or an amateur group. Further, the rental cost and the playing time of a composition are often directly related, with longer pieces commanding a higher fee. Similarly, a piece with more instrumental parts, such as Shostakovich's Tenth Symphony, will be more expensive to rent than a piece for only a few instruments, such as Stravinsky's Octet. Finally, the popularity of a piece also can lead to a higher-than-average rental fee.

The "restoration" of copyright protection to previously available works both demands a new financial investment from orchestral groups and undermines their previous investments. These new higher rental fees inevitably will result in orchestral groups choosing not to perform canonical works that have been performed frequently for decades. Moreover, an orchestra's earlier investment in its own sheet

music is undermined by this restoration. If the work in question is newly protected, an orchestra is not entitled to perform it simply because it previously purchased a copy of the score. Instead, performance of such a work requires payment of a performance fee or purchase of a blanket license.

These new hurdles to performance will limit the breadth of education for music students and will deprive audiences of valuable artistic, intellectual, and emotional experiences. The consequences will be particularly dire for student groups. Such groups not only have limited budgets but also require more rehearsal time to prepare for a performance. This entails a longer rental period and even higher fees. Without the resources to pay those fees, the inevitable result is that a new generation of musicians will receive an incomplete musical education.

III. A survey of Guild members demonstrates the practical consequences of Section 514.

In preparation for this brief, the Conductors Guild conducted a survey of its membership to learn whether and how conductors and music directors have been forced to alter their programming due to the restoration of copyright under Section 514. Members were asked whether they were forced to alter their programming because of the costs associated with performing a copyrighted work, whether they had been forced to make programming changes specifically because of Section 514, whether they owned the sheet music for any of the newly protected works, and several other questions.

The survey results reveal the impact of Section 514. Eighty-three percent of respondents indicated that they have a general practice of conserving resources by limiting their performance and recording of copyrighted works. As to the specific impact of Section 514, seventy percent of respondents indicated that they are no longer able to perform works previously in the public domain—works performed regularly before the passage of Section 514—because those works are now under copyright protection. Only thirty-seven percent of respondents own the sheet music for any of these works. Therefore, even if the money exists to pay only the performance fee, very few groups have their own copies of the music. And, of course, it is no longer possible to purchase new copies.

The surveyed members also provided specific examples of how these legal changes have impacted their work. One conductor for a chamber ensemble lists a number of works by Igor Stravinsky that his group has performed in the past, but no longer will perform because they are now protected. He further explains that the fees to perform such a work are at least $300, and that, due to budgetary constraints, his ensemble is unable to afford such fees. The problem is particularly acute for chamber ensembles, because those groups have fewer members and the works typically are shorter. In his words, "there is so much great chamber music out there to be performed, but who is going to spend $300 to rent a 12 minute work for 8 players?"

A conductor for a university orchestra explains that the high rental fees for music by Shostakovich, Prokofiev, and Stravinsky make it impossible for his

groups to program such works, although his students would benefit from those performances. As he explains, "this has severely curtailed the possibilities for the education of our music students . . . ." Another conductor for a university orchestra explains that his ensemble no longer can perform Prokofiev's Peter and the Wolf or Stravinsky's Soldier's Tale, among other titles. The loss of Soldier's Tale is particularly troublesome, as it is considered an essential piece for conductors who are training to become professionals. He further notes that because his ensemble is comprised of students, they require an extended rental for a long rehearsal cycle. Such fees, he reports, can exceed $1,200.

Another respondent fears that Peter and the Wolf, which he and others consider to be an essential work, is in danger of becoming a secondary piece as a result of these new restrictions. Another explains that these are "outstanding works by some of the most artistically and historically important composers of the late-19th and early-20th centuries. Studying and performing these works is a vital part of the training of young musicians . . . ."

Another respondent eloquently explains the burden these restrictions impose on smaller orchestras:

> [S]maller professional or part time professional orchestras and even many of the medium sized cities with full seasons and long and cherished reputations are hurting. Against all aesthetic reason they are forced [to] find ways to shrink their seasons and reduce the size of their full time performing personnel. Introducing a fur-

ther burden on live music making ensembles is a form of slow suicide.

The survey also reflects the fact that it is by no means easy to determine the copyright status of a given work, particularly when that work has been in the public domain for decades. *Cf. Dam Things from Denmark v. Russ Berrie & Co., Inc.*, 290 F.3d 548, 556-60 (3d Cir. 2002) (engaging in a complex and extended legal and factual analysis to determine whether copyright in a doll was "restored" by Section 514). The survey responses express uncertainty as to which works have now been granted copyright protection and which have not. This uncertainty, combined with the members' unwillingness to risk subjecting themselves to penalties, will result in music not being performed when there is nothing more than speculation that it is no longer in the public domain. Put another way, Section 514 will have a chilling effect on the exercise of the members' free-speech rights.

The members' responses not only bemoan Section 514's impact on their own expressive freedom, but reflect a concern for the impact on their audiences' exposure to essential works. The director emeritus of a regional orchestra explains that "Russian symphonic works are very important to an orchestra's repertoire as well [as] to an educated audience. They are absolutely part of an orchestra's basic library." Another explains that these works "are extremely important to the classical music world and the entire world in general. Having them under lock and key robs the world of more performances of the seminal works of the great Russian composers."

These survey results illustrate the practical realities at issue in this case. The scope of copyright protection is a fundamental issue for members of the Conductors Guild and the audiences they serve. Section 514 is uniquely important because it, alone among amendments to the copyright laws, has the effect of making previously available works of art effectively unavailable to all but the most prominent orchestras and their fortunate audiences. For decades, members of the Guild have relied on the fact that these works were available in the public domain, and their removal has upset those decades of reliance.

CONCLUSION

For the foregoing reasons, the petition for a writ of certiorari should be granted.

Respectfully submitted,

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AMICUS CURIAE BRIEF

RECORD
AND
BRIEFS

No. 10-545

IN THE

Supreme Court of the United States

LAWRENCE GOLAN, ET AL.,

Petitioners,

v.

ERIC H. HOLDER, JR.,
ATTORNEY GENERAL, ET AL.,

Respondents.

ON PETITION FOR A WRIT OF CERTIORARI TO THE
UNITED STATES COURT OF APPEALS FOR THE TENTH CIRCUIT

AMICUS BRIEF ON BEHALF OF INTERNET ARCHIVE IN SUPPORT OF PETITIONERS

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TABLE OF CONTENTS

	Page
TABLE OF CONTENTS	i
TABLE OF CITED AUTHORITIES	iii
INTERESTS OF AMICUS CURIAE	1
INTRODUCTION	2
ARGUMENT	4
A. The Public Domain and the Cultural Commons it Embodies Promote Free Speech Values and Protect Our Cultural Heritage	4
B. Libraries Protect the Cultural Commons and Rely on the Public Domain to Accomplish This Task	6
1. The Historical Importance of Libraries in Facilitating Access to Knowledge	6
2. The Public Domain is Crucial to Libraries' Ability to Promote Online Access to Knowledge	7
3. Case Study: The Internet Archive	10
4. Case Study: The Prelinger Library	13

Contents

Page

C. Section 514 Threatens The Cultural Commons. 15

1. Congress Overstepped its Constitutional Mandate and its Own History in Passing Section 514 15

2. Section 514 Creates Disincentives for Libraries to Collect and Provide Access to Content 20

3. Section 514 Creates Disincentives for Third-Party Users to Take Advantage of Libraries' Offerings 25

CONCLUSION 26

TABLE OF CITED AUTHORITIES

Page

Cases

Bd. of Educ. v. Pico,
457 U.S. 853 (1982) 6

Bilski v. Kappos,
130 S.Ct. 3218 (June 28, 2010) 17

Bonito Boats, Inc. v. Thunder Craft Boats, Inc., 489 U.S. 141 (1989) 19

Compco Corp. v. Day-Brite Lighting, Inc.,
376 U.S. 234 (1964) 19

Dastar Corp. v. Twentieth Century Fox Film Corp., 539 U.S. 23 (2003) 4, 19

Eldred v. Ashcroft,
537 U.S. 186 (2003) 18, 19

Eldred v. Reno,
239 F.3d 372 (D.C. Cir. 2001) 18

Feist Publ'ns, Inc. v. Rural Tel. Serv. Co., Inc.,
499 U.S. 340 (1991) 17

Golan v. Gonzales,
501 F.3d 1179 (10th Cir. 2007) 19

Golan v. Holder,
609 F.3d 1076 (10th Cir. 2010) 17

Cited Authorities

	Page
Graham v. John Deere Co., 383 U.S. 1 (1966)	5
Harper & Row, Publishers, Inc. v. Nation Enters., 471 U.S. 539 (1985)	4, 15
Int'l News Serv. v. Associated Press, 248 U.S. 215 (1918)	5
Reno v. Am. Civil Liberties Union, 521 U.S. 844 (1997)	7, 8
Sony Corp. v. Universal City Studios, Inc., 464 U.S. 417 (1984)	4, 15
Stewart v. Abend, 495 U.S. 207 (1990)	4
Twentieth Century Music Corp. v. Aiken, 422 U.S. 151 (1975)	17
White v. Samsung Elecs. Am., Inc., 989 F.2d 1512 (9th Cir. 1993)	5
Statutes and Legislative Authorities	
17 U.S.C. § 108	9

Cited Authorities

Page

Other Authorities

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Act to Amend and Consolidate the Acts Respecting Copyright, ch. 320, 35 Stat. 1075 (1909) 16

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Cited Authorities

Page

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Litman, Jessica, *The Public Domain*, 39 Emory L.J. 965 (1990) 4

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Constitutional Provisions

U.S. Const., art. I, § 8 16

INTERESTS OF AMICUS CURIAE[1]

This brief amicus curiae in support of Petitioners is submitted by the Internet Archive pursuant to Rule 37 of this Court.

The Internet Archive is a public non-profit organization that was founded to build an "Internet library," with the purpose of offering permanent access for researchers, historians, scholars, and artists to historical collections in digital format. Founded in 1996 and located in San Francisco, California, the Internet Archive receives data donations and digitizes source material from a multitude of sources, including libraries, educational institutions, and private companies. The Internet Archive then provides free access to its data—which include text, audio, moving images, software, and archived web pages—to researchers, historians, scholars, and the general public.

The Internet Archive files this brief because the effects of Section 514—both the provision itself and the radical approach to the public domain that it represents—pose a significant threat to the ability of libraries and archives to promote access to knowledge. The emergence of this threat is particularly unfortunate now, when the advent of new technologies is making it

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[1] No counsel for a party authored this brief in whole or in part, and no person or entity other than amicus curiae, or its counsel, made a monetary contribution to the preparation or submission of this brief. Pursuant to Supreme Court Rule 37.2(a), amicus curiae provided at least ten days' notice of its intent to file this brief to counsel of record for all parties. The parties have consented to the filing of this brief.

more possible to share public domain works with more people, in more ways, than ever before—making the public domain truly "public." In accomplishing this task, libraries necessarily rely on a robust and static public domain that will allow them to confidently determine that they have the right to provide access to a given work.

INTRODUCTION

The public domain is our cultural commons. It encompasses not just works that have "fallen" into disuse, but the future "basis for our art, our science, and our self-understanding" and "the raw material from which we make new inventions and create new cultural works." James Boyle, *The Public Domain: Enclosing the Commons of the Mind* 39 (2008).

Thus, Petitioners ask this Court to consider an issue of extraordinary importance: whether the Constitution permits Congress to undermine the public interest in a stable cultural commons. As Petitioners explain, in passing Section 514 of the Uruguay Round Agreements Act ("URAA"), Congress upended the settled expectations of thousands of secondary users and collectors of public domain works, including the libraries and archives that have traditionally provided preservation and access to our culture's greatest works.

Libraries, as institutions, are uniquely committed to protecting and facilitating access to this cultural commons. A robust and reliable public domain is essential to their ability to meet this commitment, for at least two related reasons: First, a stable public

domain means that libraries can build systems and procedures to facilitate access to and use of works in their collections with much less fear that those procedures will have to be adjusted to accommodate works that are subtracted from the public domain. Second, a stable public domain means that libraries can operate without fear of incurring unexpected legal risk.

In enacting Section 514—and, in the process, signaling a willingness to reconsider the boundaries of the public domain again should future speculation seem to require it—Congress took the certainty out of the public domain and drastically eroded the ability of libraries and their patrons to know what works are available for use and, even more troubling, what works might not be available in the future. This is not the balance that the copyright laws—and the First Amendment—require. Indeed, by threatening the ability of libraries to promote access to books and other foreign works, Section 514 altered the traditional contours of copyright protection.

As a librarian, the Internet Archive shares Congress' concern that U.S. authors receive fair compensation for their work. The Internet Archive respectfully submits, however, that reversing a centuries-old principle of copyright law—that a work in the public domain stays in the public domain—was both misguided and constitutionally impermissible.

ARGUMENT

A. The Public Domain and the Cultural Commons it Embodies Promote Free Speech Values and Protect Our Cultural Heritage.

The public domain encompasses both that which is excluded from copyrightability (e.g. titles and facts) and that as to which copyright protection has expired or has otherwise not been renewed. Jessica Litman, *The Public Domain*, 39 Emory L.J. 965, 992-93, 976 (1990). Once the works are in the public domain, anyone may use them "at will and without attribution." *Dastar Corp. v. Twentieth Century Fox Film Corp.*, 539 U.S. 23, 33-35 (2003).

The public domain is essential to accomplishing one of copyright's principal purposes: promoting public access to information while protecting creative incentives through intellectual property laws. *See, e.g., Harper & Row, Publishers, Inc. v. Nation Enters.*, 471 U.S. 539, 546 (1985) ("[Copyright] is intended to motivate the creative activity of authors and inventors by the provision of a special reward and to allow the public access to the products of their genius after the limited period of exclusive control has expired."); *Stewart v. Abend*, 495 U.S. 207, 228 (1990) (stating that the Copyright Act demonstrates a "balance between the artist's right to control the work . . . and the public's need for access"); *Sony Corp. v. Universal City Studios, Inc.*, 464 U.S. 417, 429 (1984) (stating that the Copyright Act's limited monopoly "is intended to motivate the creative activity of authors and inventors . . . and to allow the public access to the products of their genius after

the limited period of exclusion control has expired"); *see also Graham v. John Deere Co.*, 383 U.S. 1, 6 (1966) ("Congress may not authorize the issuance of patents whose effects are to remove existent knowledge from the public domain, or to restrict free access to the materials already available.").

By protecting content for widespread and unlimited use, the public domain likewise protects our cultural commons—those materials that exist, such as "knowledge, truths ascertained, conceptions, and ideas [that] become, after voluntary communication to others, free as the air to common use." *Int'l News Serv. v. Associated Press*, 248 U.S. 215, 250 (1918) (Brandeis, J., dissenting). This "free as the air" knowledge then becomes the building blocks of our modern culture. "Nothing today . . . is genuinely new: Culture, like science and technology, grows by accretion, each new creator building on the works of those who came before." *White v. Samsung Elecs. Am., Inc.*, 989 F.2d 1512, 1513 (9th Cir. 1993) (Kozinski, J., dissenting from the denial of rehearing *en banc*); *see also* William M. Landes & Richard A. Posner, *The Economic Structure of Intellectual Property Law* 66-67 (2003) ("Creating a new expressive work typically involves borrowing or building on material from a prior body of works, as well as adding original expression to it."); Litman, *supra* at 967 ("[T]he public domain is the law's primary safeguard of the raw material that makes authorship possible.").

Because it protects our cultural commons, the public domain is equally essential, in turn, to free speech, helping to give meaning to the First Amendment right to receive information. *See, e.g.*, Diane Leenheer

Zimmerman, *Is There a Right to Have Something to Say? One View of the Public Domain*, 73 Fordham L. Rev. 297, 326 (2004) ("A constitutional guarantee of free speech that promised to protect little more than our right to mumble meaningless sounds or scribble random lines on a piece of paper would be an empty concept. Speech requires content to be meaningful. This includes some ability to acquire such content and certainly the privilege of using it."). Indeed, "the right to receive ideas is a necessary predicate to the *recipient's* meaningful exercise of his own rights of speech, press, and political freedom." *Bd. of Educ. v. Pico*, 457 U.S. 853, 867 (1982) (emphasis in original).

B. Libraries Protect the Cultural Commons and Rely on the Public Domain to Accomplish This Task.

1. The Historical Importance of Libraries in Facilitating Access to Knowledge.

Historically, various types of institutions have served to protect—and in some instances even house—the public domain. For generations, the library has played this role, fulfilling a vision by Thomas Jefferson that "nothing would do more extensive good at small expense than the establishment of a small circulating library in every county, to consist of a few well-chosen books, to be lent to the people of the country under regulations that would secure their safe return in due time." Thomas Jefferson, Letter from Thomas Jefferson to John Wyche (May 19, 1908), *in Thomas Jefferson: A Chronology of His Thoughts* 223 (Jerry Holmes ed., 2002); *see also* Byron Anderson, *Public Libraries*, *in*

St. James Encyclopedia of Popular Culture 133 (Tom Pendergast & Sara Pendergast eds., 2000) ("U.S. libraries arose out of the democratic beliefs in an informed public, enlightened civic discourse, social and intellectual advancement, and participation in the democratic process.").

Libraries are specially positioned to facilitate access to the public domain because, as this Court has also recognized, they are institutionally committed to fostering a "regime of voluntary inquiry." *Pico*, 457 U.S. at 869. But that regime of inquiry can only exist if libraries are able to make materials available so that users can peruse them conveniently at their own pace.

2. The Public Domain is Crucial to Libraries' Ability to Promote Online Access to Knowledge.

As libraries and archives migrate online, the importance of a robust and static public domain to further a broad "regime of inquiry" becomes ever more clear. The Internet "provides relatively unlimited, low-cost capacity for communication of all kinds." *Reno v. Am. Civil Liberties Union*, 521 U.S. 844, 870 (1997). More specifically:

> This dynamic, multifaceted category of communication includes not only traditional print and news services, but also audio, video, and still images, as well as interactive, real-time dialogue. Through the use of chat rooms, any person with a phone line can become a town crier with a voice that resonates farther

> than it could from any soapbox. Through the use of Web pages, mail exploders, and newsgroups, the same individual can become a pamphleteer.

Id. By the same token, the Internet makes it more possible than ever for more people to gain access to more information (which can then be shared more widely) than ever before. As a result the proliferation of modern technologies is making the promise of the First Amendment—the right to speak and the right to receive speech—a reality on an unprecedented scale.

Libraries in the digital world play a central role in that process because they excel at providing access to materials that have often been harder to locate and maintain—the ephemera, the gray material, the lost classics. Historically, culture was archived by newspapers and other ephemeral matter, such as posters and other cultural references. However, more and more often, works are created and then live entirely online, or are only available in digital form because the physical copy has been destroyed or is no longer available. Unlike a newspaper or other hard-copy print out, when an author removes a website from the Internet, or removes certain content from a website, that site or content within that site ceases to exist unless it has been preserved elsewhere. Without an effort to archive this content, we face a risk of losing our cultural memory.

In order to locate, acquire, and provide access to this material, however, libraries must depend on reliable conclusions as to whether any given content is in the public domain. For example, libraries follow a statutory

exception that allows them to lend out material that may be covered by valid copyright. 17 U.S.C. § 108 (2006). However, it is not always clear that this exception applies to digitally preserving and providing access to some materials, leaving libraries and archives at potential risk when they provide access to digital materials where they do not have explicit rights or where they are not certain that the works reside in the public domain. As Professor James Boyle puts it:

> Copyright is what lawyers call a "strict liability" system. This means that it is generally not a legal excuse to say that you did not believe you were violating copyright, or that you did so by accident, or in the belief that no one would care, and that your actions benefited the public. Innocence and mistake do not absolve you, though they might reduce the penalties imposed. Since it is so difficult to know exactly who owns the copyright (or copyrights) on a work, many libraries simply will not reproduce the material or make it available online until they can be sure the copyright has expired—which may mean waiting for over a century. They cannot afford to take the risk.

Boyle, *supra* at 12.

Of course, libraries could attempt to rely on defenses such as fair use, but it is not certain that libraries could always assert them successfully, even in a non-digital context. Furthermore, as nonprofit institutions, libraries have highly-constrained legal

budgets and must avoid the appearance of impropriety so as to retain public trust. What is worse, given the large number of works in the collections of U.S. libraries, libraries must reasonably fear that they could be sued multiple times if they continued to provide access to the materials in their collections that might be withdrawn from the public domain.

In short, because the law is less clear for digital (and digitized) works, digital library activities and archives are especially dependent upon a vibrant public domain.[2]

3. Case Study: The Internet Archive

Amicus Internet Archive offers permanent access for researchers, historians, scholars, and the general public to historical collections that exist in digital format. It is able to do this by taking advantage of digital technology, which allows for storage and transmission of massive amounts of data. By digitizing this data, the Internet Archive makes information accessible worldwide, promoting creativity in the arts and sciences by allowing individuals to clip and sample millions of public domain words, films, and sound recordings with ease.

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[2] This problem is especially pronounced with audio and visual recordings. One can allude to written text with a short reference or quote. Yet oftentimes, in order to reference audio or visual works, one must show or provide that work in an embedded fashion, making it harder to later remove that work or otherwise separate it from its larger whole.

The Internet Archive's mission, at its most basic, relies on a robust and static public domain. For example:

- The Internet Archive features approximately 2,000 feature-length movies online available to the general public for free. Most of these films are uploaded by individual users who have possession of the films and have determined that they reside in the public domain. Users of the Internet Archive are encouraged to download these films.[3]

- The Internet Archive archives various institutions' digital content. Some of this archiving is done at the request (and payment) of third parties, such as universities or the federal government. These collections are often curated, allowing the institutions the ability to organize, catalog, and manage their digital content. The Internet Archive contains nearly 1.5 million texts from American libraries alone.[4]

- The Internet Archive runs a book project, which is responsible for uploading approximately 1,000 digitized books each day and 1,000 reels of microfilm each week.[5] This work is done in

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[3] *See* Moving Image Archive, INTERNET ARCHIVE, http://www.archive.org/details/movies (last visited on Nov. 22, 2010).

[4] *See, e.g.*, Ebook and Texts Archive, INTERNET ARCHIVE, http://www.archive.org/details/texts (last visited on Nov. 22, 2010).

[5] *See generally* OPEN LIBRARY, http://openlibrary.org/ (last visited on Nov. 22, 2010).

> conjunction with libraries and other third parties who provide the books to be scanned to the Internet Archive. Also, individuals on their own accord scan and upload texts. In each instance, the party providing the material to scan and upload is responsible for making the determination as to whether a given text properly resides in the public domain. Approximately 1.5 million books are downloaded from the Internet Archive each day.

The reliability of the public domain plays an integral role in each of these Internet Archive projects. Each item that is digitized and uploaded to the Internet Archive—whether by an individual user or an organized institution—resides in the public domain, a determination that is often made by Internet Archive's uploading users.

Once an item—be it a movie or text or any other content—resides on the Internet Archive's servers, it is available free of charge to the general public to use in any manner whatsoever. Individual users often then incorporate that content into their own content, thus creating a virtual chain of creativity. If a work inside that chain is removed from the public domain, it irrevocably upsets the balance created by a free, open, and consistent public domain. Further, as a practical matter, it may be virtually impossible to trace the content as it exists further down this chain of derivative works.

Not only does the removal of items from the public domain breach a social contract between a work's author and those who later use that work, but it makes for bad business. In particular, it injects uncertainty and confusion about the parameters of the public domain into the marketplace, which impedes the efficient flow of ideas, expression and commerce.

4. Case Study: The Prelinger Library

The Internet Archive is just one example, albeit on a large scale, of an online library that relies on the public to sustain its business model. Other, smaller libraries, oftentimes without the resources of the Internet Archive, likewise use the Internet to provide widespread access to their content.

The Prelinger Archives is a commercial, for-profit moving image and sound archive. Founded in 1982 with the stated goal to "collect, preserve, and facilitate access to films of historic significance that haven't been collected elsewhere," the Prelinger Archives has licensed most of its film material to the Library of Congress. However, a private sister facility—the Prelinger Library—currently houses approximately 50,000 books, periodicals, and related ephemeral works.[6]

The Prelinger Library opened its doors in 2004 and receives approximately 1,000 visitors each year. Many of those visitors are writers, artists, and filmmakers who

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[6] *See* Prelinger Library, INTERNET ARCHIVE, http://www.archive.org/details/prelinger_library (last visited on Nov. 22, 2010).

use the material for transformative purposes.[7] It has also digitized 3,760 distinct items, which it offers for public usage on the Internet Archive. Before those titles could be shared electronically to such a wide audience, the Prelinger Library made a substantial investment to determine the copyright status of each item by conducting manual copyright searches for each item before providing it to the Internet Archive.

The Prelinger Library does not organize or catalogue its materials in a traditional manner. Instead, the Library flows like a traditional bookstore in a scheme of topic clusters (e.g., from city planning and urban studies to other kinds of built landscapes, such as those that lay between cities and suburbs).[8] Also, the Prelinger Library does not formally record or otherwise follow what any individual does with the content. In other words, once an individual either downloads or copies any material from the Prelinger Library, there is no way to track or know where or how that material is being used.

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[7] The Prelinger Archive "warmly" encourages users to "download, use and reproduce [its] films in whole or in part, in any medium or market throughout the world" and "to share, exchange, redistribute, transfer and copy these films, and especially [are] encouraged to do so for free." *See* Prelinger Archives, INTERNET ARCHIVE, http://www.archive.org/details/prelinger (last visited on Nov. 22, 2010).

[8] *See* Megan Shaw Prelinger, On the Organization of the Prelinger Library, PRELINGER LIBRARY, http://www.home.earthlink.net/~alysons/LibraryOrg.html (last visited on Nov. 22, 2010).

The Prelinger Library plays a crucial role in providing everyday citizens access to material in the public domain, both electronically and in hard copy. In order to do this, however, the Prelinger Library invested in collecting and collating the materials and determining whether or not those materials were in the public domain. The risk of some of those works falling out of the public domain presents a scenario that would paralyze the Prelinger Library's business model and ability to provide its services going forward.

For example, due to the organization of the Prelinger Library, it could prove quite difficult and time-consuming to track down an item that was already offered to the public and remove it from that offering. It would likewise be nearly impossible to track downstream uses of that item.

C. Section 514 Threatens The Cultural Commons.

1. Congress Overstepped its Constitutional Mandate and its Own History in Passing Section 514.

In passing Section 514, Congress overstepped its constitutional mandate to use copyright laws to promote progress. According to this Court, copyright protection "is intended *to motivate the creative activity* of authors . . . by the provision of a special reward, and to allow the public access to the products of their genius after the limited period of exclusive control has expired." *Sony Corp.*, 464 U.S. at 429 (emphasis added); *see also Harper & Row*, 471 U.S. at 546 (copyright monopoly granted to induce creation of new material). Section 514, however,

provides no additional incentive to create. Nor does it "promote the Progress of Science and useful Arts," as the Constitution mandates. U.S. Const., art. I, § 8, cl. 8.

In implementing Section 514, Congress "shatter[ed] ... long-standing understandings" that, among other things, include "the long-standing practice of refusing to resurrect works from the public domain." 4 David Nimmer, *Nimmer on Copyright* § 18.06[C][1] (2010). Indeed, the copyright laws traditionally and explicitly protect works in the public domain. For example, the 1831 Copyright Act stated that it "shall not extend to any copyright heretofore secured, the term of which has already expired." Act to Amend the Several Acts Respecting Copy Rights, ch. 16, 4 Stat. 436, 439 (1831). The 1909 Copyright Act provided that "no copyright shall subsist in the original text of any work which is in the public domain." Act to Amend and Consolidate the Acts Respecting Copyright, ch. 320, 35 Stat. 1075, 1077 (1909). Notably, the 1976 Copyright Act explicitly protects the public domain, stating that it "does not provide copyright protection for any work that goes into the public domain" prior to its effective date. Act for the General Revision of the Copyright Law, Pub. L. No. 94-553, § 103, 90 Stat. 2541, 2599 (1976).

In fact, it appears that Congress did not even consider the ramifications of ignoring its constitutional mandate and history of protecting the public domain when it enacted the legislation behind Section 514. 4 *Nimmer on Copyright* at § 18.06[C][2][b] (neither the House nor Senate reports "betrays the slightest awareness of the breadth of the changes being

implemented or their departure from two centuries of constitutional jurisprudence under the Copyright Clause"). Likewise, the Tenth Circuit below failed to consider carefully whether Section 514 was even necessary to comply with the Berne Convention (the government's stated purpose behind the Statute), or if it pursued any public purpose. *Golan v. Holder*, 609 F.3d 1076, 1091 (10th Cir. 2010); *see also* Petition for a Writ of Certiorari at 26-27.

Section 514 should have been interpreted in a manner consistent with the constitutionally-mandated purpose and function of the copyright laws. *See Bilski v. Kappos*, 130 S.Ct. 3218, 3252-53 (June 28, 2010) (Stevens, J., concurring) (stating that the "constitutionally mandated purpose and function of the patent laws" must be used in determining the scope of the term "process" in the Patent Act). This Court has declared that "[t]he primary objective of copyright is not to reward the labor of authors, but 'to promote the Progress of Science and the useful Arts.'" *Feist Publ'ns, Inc. v. Rural Tel. Serv. Co., Inc.*, 499 U.S. 340, 349 (1991) (quoting art. I, § 8, cl. 8). The Court has recognized that "[c]reative work is to be encouraged and rewarded, but private motivation must ultimately serve the cause of promoting broad public availability of literature, music, and the other Arts." *Twentieth Century Music Corp. v. Aiken*, 422 U.S. 151, 156 (1975). Because it jeopardizes librarians' efforts to promote access to knowledge, Section 514 clearly frustrates "the cause of promoting broad public availability of literature, music, and the other Arts." *Id.*

Further, the effects of Section 514 stand in contrast to the Copyright Term Extension Act ("CTEA"), Pub. L. No. 105–298, §§ 102(b), (d), 112 Stat. 2827, 2828 (1998), as interpreted by this Court. In *Eldred v. Ashcroft*, 537 U.S. 186 (2003), the Court upheld the constitutionality of the CTEA, which extended the term for existing (non-expired) copyrights for 20 years. The CTEA did not remove anything from the public domain, since it only applied to works currently under copyright protection. *See id.* In the words of the *Eldred* Court of Appeals, a "work in the public domain is, by definition, without a copyright" and such a work thus "has nothing to do with this case." *Eldred v. Reno*, 239 F.3d 372, 377 (D.C. Cir. 2001), *aff'd*, *Eldred v. Ashcroft*, 537 U.S. 186 (2003). This Court thus found that the CTEA "has not altered the traditional contours of copyright protection" and therefore was constitutional. *Eldred*, 537 U.S. at 221.

In this case, the initial Tenth Circuit panel noted the distinction between *Eldred*, which did not remove works from the public domain, and Section 514, which does:

> Section 514 has interfered with [plaintiff] Blackburn's right by making the cost of performance or creation of new derivative works based on Shostakovich's *Symphony No. 5* prohibitive. Moreover, as the example of Mr. Blackburn's composition suggests, plaintiffs' First Amendment interests in public domain works are greater than the interests of the *Eldred* plaintiffs. The *Eldred* plaintiffs did not—nor had they ever—

> possessed unfettered access to any of the works at issue there. As the *Eldred* Court observed, the most the *Eldred* plaintiffs could show was a weak interest in "making other people's speeches." By contrast, the speech at issue here belonged to plaintiffs when it entered the public domain. In reliance on their rights to these works, plaintiffs have already performed or planned future performances and used these publicly available works to create their own artistic productions.

Golan v. Gonzales, 501 F.3d 1179, 1193 (10th Cir. 2007) (citing *Eldred*, 537 U.S. at 221).

On appeal, however, the second Tenth Circuit panel ignored this distinction and based its ruling on a faulty assumption: that Petitioners were using speech that was not their own. *Golan*, 609 F.3d at 1084 ("The First Amendment securely protects the freedom to make—or decline to make—one's own speech; it bears less heavily when speakers assert the right to make other people's speeches.") (quoting *Eldred*, 537 U.S. at 221). As Petitioners explain, the Tenth Circuit failed to account for the fact that once works exist in the public domain, they no longer belong to the copyright holder, but to the public. *See, e.g., Dastar*, 539 U.S. at 33-35 (stating that anyone may use works in the public domain "at will and without attribution"); *Bonito Boats, Inc. v. Thunder Craft Boats, Inc.*, 489 U.S. 141, 153 (1989) (recognizing "free access to copy whatever the federal patent and copyright laws leave in the public domain") (citing *Compco Corp. v. Day-Brite Lighting, Inc.*, 376 U.S. 234, 237 (1964)).

Congress' overreaching upends centuries of legislation and practice that protect the public domain and ensure that the cultural commons remain vibrant and available.

2. Section 514 Creates Disincentives for Libraries to Collect and Provide Access to Content.

The Internet Archive and the Prelinger Library are but two examples of the institutions that strive to provide the general public invaluable access to content that could not have been contemplated before the advent of the Internet. However, for the Internet Archive and the Prelinger Library—and countless other business and organizations like them—to conduct this service, they require a stable public domain, with defined boundaries, that allows them to determine what content exists in the public domain and to act accordingly.

The automatic restoration provision of Section 514 affects potentially millions of works—all those foreign works first published between 1923 and 1989—currently in the public domain, many of which are available at the Internet Archive. For example, Section 514 would automatically restore copyright protection to all works that had not been protected in the U.S. because no treaty existed as the time of creation between the U.S. and the source country. This means that all Russian works created before May 27, 1973, when the Soviet Union joined the Universal Copyright Convention, formerly resided in the public domain, and now they do not. This includes literature by Alexander Block, Sergei Yesenin, Marina Tsvetaeva, Vladmiir Mayakovsky,

Maxim Gorky, Vladimir Nabokov, Mikhail Sholokhov, Mikhail Bugaboo, and Alexander Solzhenitsyn as well as music by Prokofiev, Shostakovich, and Isa Dunayevsky. Currently, on the Internet Archive, one may find the works of Sergei Yesenin, Alexander Solzhenitsyn, and Marina Tsvetaeva recited aloud, books authored by Gorky, and music compositions made of the works of Prokofiev and Shostakovich.[9] Section 514 creates fundamental questions about these works and whether they still remain in the public domain.

Removing works from the public domain also results in the creation of new "orphan works," i.e., works that appear to be "in-copyright" but whose author cannot be located. In light of the legal risks described above, libraries are reluctant to make orphan works available online. In a letter to the Copyright Office, the College Art Association described Section 514's operation as follows:

> [T]he "orphan works" problem has been enormously exacerbated by the restoration of

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[9] For examples of these expressive works that are currently located on Internet Archive, see, Allen Ginsberg Class 11 Expansive Poets, INTERNET ARCHIVE, http://www.archive.org/details/Allen_Ginsberg_Class_11_Expansive_Poetics_July_1981_81P130; Worrying about Tomorrow, INTERNET ARCHIVE, http://www.archive.org/details/Fr.VazkenMovsesianWorrying aboutTomorrow; Prokofiev: Peter and the Wolf, INTERNET ARCHIVE, http://www.archive.org/details/ProkofievPeterAndTheWolfkoussevitzky; Shostakovich: Prelude, INTERNET ARCHIVE, http://www.archive.org/details/ShostakovichPrlude; Maxim Gorky Mother, INTERNET ARCHIVE, http://www.archive.org/details/MaximGorkyMother (all last visited on Nov. 22, 2010).

> foreign works as a result of Section 514. . . . Literally, in one fell swoop, hundreds of thousands, if not millions, of works that were once in the public domain have been given the full protection of United States copyright. The vast majority of foreign works were never registered, so registrations and renewals cannot be found to identify the rights owners, particularly if they are not famous. . . . In the vast majority of cases, identifying, finding and clearing rights is realistically impossible. This restoration to the full protection of United States copyright law has largely occurred without any commensurate benefit to the American public because most of these works are not being disseminated unless the rights owner is identifiable and can be found (or unless the works are currently being exploited by the copyright owner or his or her licensee).[10]

The College Art Association offered examples of this acute problem, including:

- The Hispanic Society of America has thousands of photographs from dealers worldwide, especially Latin America, where the copyright owner could not be located. These include images

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[10] Letter from Jeffrey P. Cunard, Counsel, College Art Association, to Jule L. Sigall U.S. Copyright Office (Mar. 25, 2005), at 6-7 (citation omitted), *available at* http://www.collegeart.org/pdf/caa_orphan_letter.pdf (last visited on Nov. 22, 2010).

of buildings that have since been destroyed (making it impossible even to travel to the site to take a duplicate photograph). *Id.* at 12.

- Works of ancient African Art at the National Museum in Lagos. *Id.*

- Photographs of works by Haitian artists, where even the artist is not easily determined, much less the publisher. *Id.* at 16.

- A photograph of a fourteenth century wall painting printed in a small scholarly book from France, where the author could not be located. The researcher had to travel to France to take photos of the same paintings. *Id.* at 19.

In a similar letter,[11] the Library Copyright Alliance gave other examples:

- A project under consideration was digitization of approximately 1200 rare ethnomusicology 78rpm records of folk music. The project would be severely limited to "clearly" public domain records, since most of the record labels were out of business. *Id.* at 4.

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[11] Letter from Miriam M. Nisbet, Legislative Counsel, Am. Library Ass'n, to Jule L. Sigall, Assoc. Register for Policy & Int'l Affairs, U.S. Copyright Office (Mar. 25, 2005), *available at* http://www.arl.org/bm~doc/lcacomment0305.pdf [hereinafter Nisbet Letter] (last visited on Nov. 22, 2010).

- The University of California, Los Angeles Library maintains the Frontera Collection, "which consists of more than one hundred thousand recordings and thirty thousand performances of Mexican folk music. Most of the collection is covered under copyright and the library is unable to locate the copyright owners. Accordingly, the Library cannot make the collection available outside UCLA, e.g., by interlibrary loan." *Id.* at 5.[12]

In its own letter, the UCLA library further described the difficulty in obtaining rights to the Frontera Collection material, and bemoaned the "effect of current copyright law" on "restricting or limiting access to our cultural heritage."[13]

Simply put, when the public domain shrinks, so too does the ability of digital archivists and librarians to preserve and provide access to cultural works. By threatening the integrity of the public domain, Section 514 of the URAA sets a dangerous precedent; no longer

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[12] *See also* Strachwitz Frontera Collection of Mexican and Mexican American Recordings, UCLA FRONTERA LIBRARY, http://frontera.library.ucla.edu/. "Due to copyright restrictions," the collection can only be accessed at UCLA. *See* http://frontera.library.ucla.edu/access.html (both last visited on Nov. 22, 2010).

[13] Statement of Gary E. Strong, Univ. Librarian and Dir., University of California, Los Angeles, to Jule L. Sigall , Assoc. Register for Policy & Int'l Affairs, U.S. Copyright Office, at 14 (Mar. 2005), *available at* http://www2.library.ucla.edu/pdf/GES_orphan_works_comments.pdf (last visited on Nov. 22, 2010).

will librarians and archivists be able to do their essential work with confidence that, at some future date, a work currently out of copyright will not suddenly become the subject of a copyright dispute.

3. Section 514 Creates Disincentives for Third-Party Users to Take Advantage of Libraries' Offerings.

Not only does Section 514's instability harm the public by limiting the works in the public domain, it also discourages everyday Americans from incorporating third-party works into their own future works for fear of retroactive copyright liability, even if the work in question is currently available in the public domain. It is impossible to know how many works have not been created, or lack important content, because the work's author could not confidentially ascertain if the "building block" work was in the public domain.

This uncertainty harms the speaker, as well as others who may benefit from that speech. For example, Kevin Cooper published a book in 2005 of children's songs called *Snakes, Snails, and C Major Scales: Songs for Children with Fingerstyle Guitar Accompaniment* (2005). *See* Nisbet Letter at 8. Mr. Cooper's original draft included "a variety of multicultural pieces," including "Native American, Jewish, Russian, French, Japanese, and Mexican songs." *Id.* However, because Mr. Cooper could not determine whether many of the songs were in the public domain, the book only included Russian, French, Japanese, and American songs. *Id.* "Therefore, it resembles the multicultural music education materials of the past with an imbalance of

songs from mostly white, European cultures and superficial songs written about cultures but not by the cultures themselves, like 'Ten Little Indians.'" *Id.* at 8.

Injecting further instability into the public domain only exacerbates this problem and keeps important pieces of the cultural commons out of the hands of the people to whom it rightly belongs: the public.

CONCLUSION

Section 514 directly threatens the robust and static public domain that both copyright law and the First Amendment should promote and upon which libraries and their patrons rely to preserve, access and build upon our cultural commons. Amicus urges the Court to grant the petition for a writ of certiorari so the Court may carefully consider whether this threat is Constitutionally permissible.

Respectfully submitted,

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JOINT APPENDIX

RECORD AND BRIEFS

No. 10-545

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In The Supreme Court of the United States

LAWRENCE GOLAN et al.,

Petitioners,

v.

ERIC H. HOLDER, JR. et al.,

Respondents.

On A Writ Of Certiorari To The United States Court Of Appeals For The Tenth Circuit

JOINT APPENDIX

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TABLE OF CONTENTS

Page

Relevant Docket Entries from the United States District Court for the District of Colorado, No. 1:01-cv-01854-LTB-BNB.....1

Relevant Docket Entries from the United States Court of Appeals for the Tenth Circuit, No. 05-1259 12

Relevant Docket Entries from the United States Court of Appeals for the Tenth Circuit, No. 09-1234 15

Declaration of Lawrence Golan in Support of Plaintiffs' Opposition to Defendants' Motion for Summary Judgment, Dist. Ct. Dkt. No. 74-(filed Nov. 4, 2004) 18

Excerpts of Declaration of Ron Hall in Support of Plaintiffs' Opposition to Defendant's Motion for Summary Judgment, Dist. Ct. Dkt. No. 74 (filed Nov. 4, 2004).....29

Excerpts of Declaration of Richard Kapp in Support of Plaintiffs' Opposition to Defendants' Motion for Summary Judgment, Dist. Ct. Dkt. No. 74 (filed Nov. 4, 2004).....34

Excerpts of Declaration of John McDonough in Support of Plaintiffs' Opposition to Defendants' Motion for Summary Judgment, Dist. Ct. Dkt. No. 74 (filed Nov. 4, 2004).....45

TABLE OF CONTENTS – Continued

Page

Excerpts of Declaration of Kortney Stirland in Support of Plaintiffs' Opposition to Defendants' Motion for Summary Judgment, Dist. Ct. Dkt. No. 74 (filed Nov. 4, 2004).....50

Report of Professor Mark Rose Pursuant to Federal Rule of Civil Procedure 26(a)(2), Dist. Ct. Dkt. No. 90 (filed Feb. 16, 2005).....54

Report of Dr. Mihály Ficsor, Former Assistant Director General of WIPO, Pursuant to Federal Rule of Civil Procedure 26(a)(2), Dist. Ct. Dkt. No. 147-4 (filed Dec. 5, 2008).....80

Declaration of Professor Lionel Bently in Support of Plaintiffs' Motion for Summary Judgment, Dist. Ct. Dkt. No. 150-3 (filed Jan. 16, 2009).....193

Excerpts of Deposition Testimony of Ronald Hall, Dist. Ct. Dkt. No. 154-2 (filed Feb. 13, 2009).....211

Excerpts of Deposition Testimony of Kortney Stirland, Dist. Ct. Dkt. No. 154-4 (filed Feb. 13, 2009).....245

Excerpts of Videotaped Deposition Testimony of Richard Kapp, Dist. Ct. Dkt. No. 154-5 (filed Feb. 13, 2009).....262

TABLE OF CONTENTS – Continued

Page

The following opinions and orders have been omitted in printing this Joint Appendix because they appear on the following pages in the appendix to the Petition for a Writ of Certiorari:

Order of the U.S. District Court for the District of Colorado, March 15, 2004 (310 F. Supp. 2d 1215) 153a

Order of the U.S. District Court for the District of Colorado, April 20, 2005 (2005 WL 914754) 110a

Judgment of the U.S. District Court for the District of Colorado, May 12, 2005 ..... 171a

Opinion of the U.S. Court of Appeals for the Tenth Circuit, September 4, 2007 (501 F.3d 1179) 70a

Order of the U.S. Court of Appeals for the Tenth Circuit, January 4, 2008 ..... 166a

Memorandum Opinion and Order of the U.S. District Court for the District of Colorado, April 3, 2009 (611 F. Supp. 2d 1165) 43a

Opinion of the U.S. Court of Appeals for the Tenth Circuit, June 21, 2010 (609 F.3d 1076) 1a

Judgment of the U.S. District Court for the District of Colorado, August 17, 2010 ..... 168a

U.S. District Court

District of Colorado (Denver)

CIVIL DOCKET FOR CASE #: 1:01-cv-01854-LTB-BNB

Golan, et al v. Ashcroft, et al

Date Filed	#	Docket Text
09/19/2001	1	COMPLAINT (Summons(es) issued) (gms) (Entered: 09/20/2001)
04/16/2003	19	FIRST AMENDED COMPLAINT [1-1] by plaintiff Lawrence Golan, Richard Kapp, S.A. Publishing Co, Symphony of the Cnyn, Ron Hall, John McDonough (former empl) (Entered: 04/18/2003)
04/30/2003	20	RENEWED MOTION by defendant John Ashcroft to dismiss [pursuant to Rule 12(b)(6)] (former empl) (Entered: 04/30/2003)
04/30/2003	21	Memorandum (BRIEF) by defendant John Ashcroft in support of renewed motion to dismiss for failure to state claim upon which relief can be granted [20-1] (former empl) (Entered: 04/30/2003)
05/20/2003	22	BRIEF by plaintiffs in opposition to renewed motion to dismiss [pursuant to Rule 12(b)(6)] [20-1] (former empl) (Entered: 05/21/2003)
06/11/2003	25	REPLY by defendant John Ashcroft to response to motion to dismiss

		[pursuant to Rule 12(b)(6)] [20-1] (former empl) (Entered: 06/11/2003)
03/15/2004	26	ORDER signed 3/12/04 by Chief Judge Lewis T. Babcock, filed 3/15/04, granting and denying dft's motion to dismiss [20-1] as follows: granted as to Count 4 of pltfs' amended complaint and Count 4 is dismissed; and denied as to Counts 1,2,3 of pltfs' amended complaint (cc: all counsel); entry date: 3/15/04 (former empl) (Entered: 03/15/2004)
04/01/2004	28	ANSWER by defendant to amended complaint [19-1] (bpm) (Entered: 04/02/2004)
06/22/2004	35	MOTION by defendant John Ashcroft for summary judgment (erv) (Entered: 06/23/2004)
06/22/2004	36	BRIEF by defendant John Ashcroft in support of motion for summary judgment [35-1] (erv) (Entered: 06/23/2004)
09/02/2004	59	Second AMENDED COMPLAINT [19-1] by plaintiff: adding defendant Marybeth Peters (erv) (Entered: 09/10/2004)
10/08/2004	65	ANSWER by defendant John Ashcroft, defendant Marybeth Peters to Second Amended complaint [59-1] (erv) (Entered: 10/12/2004)
11/04/2004	73	RESPONSE in Opposition re 35 Dft John Ashcroft's Motion for Summary

		Judgment filed by Plaintiffs' (erv,) (Entered: 11/08/2004)
11/04/2004	74	APPENDIX re 73 Pla's Response in Opposition to John Ashcroft's Motion for Summary Judgment by Plaintiff Lawrence Golan. (Placed in Oversized Exhibit in Brown Accordian Folder) (erv,) (Entered: 11/08/2004)
11/24/2004	79	REPLY to Pla's Response to Dfts' 35 Motion for Summary Judgment filed by Defendants John Ashcroft, Marybeth Peters. (erv,) (Entered: 11/29/2004)
02/16/2005	90	MOTION for Partial Summary Judgment that section 514 of the URAA Unconstitutionality Exceeds Congress's Power under the Copyright Clause, by Plaintiffs Lawrence Golan, Richard Kapp, S.A. Publishing Co., Inc., Symphony of the Canyons, Ron Hall, John McDonough. (Placed in Over Sized Documents) (erv,) (Entered: 02/18/2005)
03/11/2005	101	RESPONSE i Opposition to 90 Plas' MOTION for Partial Summary Judgment filed by Defendant John Ashcroft. (erv,) (Entered: 03/14/2005)
03/28/2005	103	REPLY to Response to 90 MOTION for Partial Summary Judgment that Section 514 of the URAA Unconstitutionally Exceeds Congress's Power

		under the copyright clause, filed by Plaintiffs Lawrence Golan, Richard Kapp, S.A. Publishing Co., Inc., Symphony of the Canyons, Ron Hall, John McDonough, Defendant Marybeth Peters. (erv,) (Entered: 03/30/2005)
04/20/2005	109	MEMORANDUM OPINION AND ORDER granting 35 Dfts Motion for Summary Judgment, denying 90 Pla's Motion for Partial Summary Judgment . Signed by Chief Judge Lewis T. Babcock on 4/20/05. (erv,) (Entered: 04/21/2005)
05/12/2005	110	JUDGMENT Pursuant to and in accordance with the Memorandum Opinion and Order entered by the Honorable Lewis T. Babcock, United States District Court, Chief Judge, on April 19, 2005, it is ORDERED that the Government's Motion for Sum Jgm is Granted. Jgm is entered for Dfts Alberto R. Gonzalez and Marybeth Peters and against the Pla's Lawrence Golan, Richard Kapp, S.A. Publishing Co., Inc., d/b/a/ ESSAY. Recordings, Symphony of the Canyons, Ron Hall d/b/a Festival Films, John McDonough d/b/a/ Timeless Video Alternatives Intl and the action and complaint are dismissed. Dfts are awarded costs upon the filing of a Bill of Costs with the Clerk of The Court

		within ten days of the entry of this jgm . Signed by Judge Lewis T. Babcock on 5/12/05. (erv,) (Entered: 05/12/2005)
05/27/2005	111	NOTICE OF APPEAL as to 109 Order on Motion for Summary Judgment, Order on Motion for Partial Summary Judgment on 4/20/05 by Plaintiffs Lawrence Golan, Richard Kapp, S.A. Publishing Co., Inc., Symphony of the Canyons, Ron Hall, Ron Hall, John McDonough, John McDonough. Filing fee $ 255, receipt number 260449. Notice mailed to all counsel on 6/1/05. Transcript Order Form due by 6/14/2005. (djs,) (Modified on 6/6/2005 to correct spelling error) (djs,). (Entered: 06/01/2005)
06/03/2005	114	USCA Case Number 05-1259 for 111 Notice of Appeal filed by Lawrence Golan, Richard Kapp, S.A. Publishing Co., Inc., Symphony of the Canyons, Ron Hall, John McDonough. (djs,) (Entered: 06/06/2005)
07/08/2005	122	NOTICE re 111 Notice of Appeal, *Plaintiffs' Corrected Notice of Appeal* by Plaintiffs Lawrence Golan, Richard Kapp, S.A. Publishing Co., Inc., S.A. Publishing Co., Inc., Symphony of the Canyons, Ron Hall, Ron Hall, John McDonough, John McDonough (Fairless, Carolyn) (Entered: 07/08/2005)

07/11/2005	123	Amended NOTICE OF APPEAL as to 111 Notice of Appeal, by Plaintiffs Lawrence Golan, Richard Kapp, S.A. Publishing Co., Inc., S.A. Publishing Co., Inc., Symphony of the Canyons, Ron Hall, Ron Hall, John McDonough, John McDonough (Fairless, Carolyn) (Entered: 07/11/2005)
09/06/2007	130	USCA Opinion and Judgment as to 111 Notice of Appeal, filed by John McDonough, Richard Kapp, Lawrence Golan, Ron Hall, Symphony of the Canyons, S.A. Publishing Co., Inc.: The judgment of the district court is affirmed in part and remanded in part. The case is remanded to district court for further proceedings in accordance with the opinion of this court. (USCA Case No. 05-1259) (This document is not the Mandate) (Attachments: # 1 Judgment)(bjr2,) (Entered: 09/06/2007)
01/28/2008	131	MANDATE of USCA as to 111 Notice of Appeal, filed by John McDonough, Richard Kapp, Lawrence Golan, Ron Hall, Symphony of the Canyons, S.A. Publishing Co., Inc., 130 USCA Opinion and Judgment: The judgment of the district court is affirmed in part and remanded in part. The case is remanded to district court for further proceedings in accordance with the opinion of

		this court. (USCA Case No. 05-1259) (bjr2,) (Entered: 01/28/2008)
12/05/2008	147	MOTION for Summary Judgment by Defendants John Ashcroft, Marybeth Peters. (Attachments: # 1 Statement of Facts, # 2 Memorandum of Points and Authorities, # 3 Exhibit, # 4 Proposed Order (PDF Only))(Hall, Christopher) (Entered: 12/05/2008)
01/16/2009	148	MOTION for Summary Judgment by Plaintiffs Lawrence Golan, Richard Kapp, S.A. Publishing Co., Inc., Symphony of the Canyons, Ron Hall, John McDonough. (Falzone, Anthony) (Entered: 01/16/2009)
01/16/2009	150	BRIEF in Support re 148 MOTION for Summary Judgment filed by Plaintiffs Lawrence Golan, Richard Kapp, S.A. Publishing Co., Inc., Symphony of the Canyons, Ron Hall, John McDonough. (Attachments: # 1 Statement of Facts, # 2 Affidavit of Professor Lionel Bently, # 3 Exhibit A to the Declaration of Lionel Bently, # 4 Exhibit B to the Declaration of Lionel Bently, # 5 Exhibit C to the Declaration of Lionel Bently, # 6 Exhibit D to the Declaration of Lionel Bently, # 7 Affidavit of Christopher K. Ridder, # 8 Exhibit A to the Declaration of Christopher K. Ridder, # 9 Exhibit B to the Declaration of

Christopher K. Ridder, # 10 Exhibit C to the Declaration of Christopher K. Ridder, # 11 Exhibit D to the Declaration of Christopher K. Ridder, # 12 Exhibit E to the Declaration of Christopher K. Ridder, # 13 Exhibit F to the Declaration of Christopher K. Ridder, # 14 Exhibit G to the Declaration of Christopher K. Ridder, # 15 Exhibit H to the Declaration of Christopher K. Ridder, # 16 Exhibit I to the Declaration of Christopher K. Ridder, # 17 Exhibit J to the Declaration of Christopher K. Ridder, # 18 Exhibit K to the Declaration of Christopher K. Ridder, # 19 Exhibit L to the Declaration of Christopher K. Ridder, # 20 Exhibit M to the Declaration of Christopher K. Ridder, # 21 Exhibit N to the Declaration of Christopher K. Ridder, # 22 Proposed Order)(Falzone, Anthony) (Entered: 01/16/2009)

02/13/2009 154 BRIEF in Opposition re 148 MOTION for Summary Judgment *and Reply in Support of Defendants' Motion for Summary Judgment* filed by Defendants Association of American Publishers, The, John Ashcroft, Marybeth Peters. (Attachments: # 1 Exhibit Tab A, # 2 Exhibit Tab B, # 3 Exhibit Tab C, # 4 Exhibit Tab D)(Hall, Christopher) (Entered: 02/13/2009)

03/13/2009	155	REPLY to Response to Motion re 148 MOTION for Summary Judgment filed by Plaintiffs Lawrence Golan, Richard Kapp, S.A. Publishing Co., Inc., Symphony of the Canyons, Ron Hall, John McDonough. (Falzone, Anthony) (Entered: 03/13/2009)
04/03/2009	156	MEMORANDUM OPINION AND ORDER: denying 147 the Government's Motion for Summary Judgment; granting 148 Plaintiff's Motion for Summary Judgment by Judge Lewis T. Babcock on 04/03/2009.(sah,) (Entered: 04/03/2009)
04/07/2009	157	JUDGMENT by Clerk. The Governments Motion for Summary Judgment 147 is DENIED; Plaintiffs Motion for Summary Judgment 148 is GRANTED. Judgment is entered in favor of Plaintiffs and against the Government. Plaintiffs shall have their costs by the filing of a Bill of Costs with the Clerk of this Court within ten days of the entry of judgment. Signed on 04/07/2009. (sah,) (Entered: 04/07/2009)
06/05/2009	169	NOTICE OF APPEAL as to 156 Order on Motion for Summary Judgment, 157 Clerk's Judgment, by Defendants John Ashcroft, Marybeth Peters (Hall, Christopher) (Entered: 06/05/2009)

06/08/2009	172	USCA Case Number 09-1234 for 169 Notice of Appeal filed by Marybeth Peters, John Ashcroft. (bjrsl,) (Entered: 06/08/2009)
06/18/2009	176	NOTICE OF APPEAL as to 156 Order on Motion for Summary Judgment, 157 Clerk's Judgment, by Plaintiffs Lawrence Golan, Richard Kapp, S.A. Publishing Co., Inc., Symphony of the Canyons, Ron Hall, John McDonough (Ahrens, Julie) (Entered: 06/18/2009)
06/19/2009	178	USCA Case Number 09-1261 for 176 Notice of Appeal filed by John McDonough, Richard Kapp, Lawrence Golan, Ron Hall, Symphony of the Canyons, S.A. Publishing Co., Inc.. (bjrsl,) (Entered: 06/19/2009)
06/21/2010	192	USCA Opinion and Judgment as to 176 Notice of Appeal filed by John McDonough, Richard Kapp, Lawrence Golan, Ron Hall, Symphony of the Canyons, S.A. Publishing Co., Inc., 169 Notice of Appeal filed by Marybeth Peters, John Ashcroft: The judgment of the district court is reversed and remanded to district court for further proceedings in accordance with this opinion. (USCA Case No. 09-1234 & 09-1261) (This document is not the Mandate) (Attachments: # 1 USCA Judgment) (bjrsl,) (Entered: 06/21/2010)

08/16/2010	194	ORDER re: 192 USCA Order/ Opinion/Judgment. Summary judgment enter in favor of the Government and against the Plaintiffs with costs awarded the Government. By Judge Lewis T. Babcock on 08/16/2010. (sah,) (Entered: 08/16/2010)
08/17/2010	195	JUDGMENT by Clerk. Judgment is entered in favor of the Defendants Eric H.Holder, Jr., in his official capacity as Attorney General of the United States; and Marybeth Peters, in her official capacity as Register of Copyrights, Copyright Office of the United States Government and against the Plaintiffs Lawrence Golan; Estate of Richard Kapp; S.A. Publishing Co., Inc., d/b/a ESS.A.Y. Recordings; Symphony of the Canyons; Ron Hall, d/b/a Festival Films; and John McDonough, d/b/a Timeless Video Alternatives International. Defendants are awarded costs upon the filing of a Bill of Costs with the Clerk of Court within 14 days of entry of judgment. Signed on 08/17/2010. (sah,) (Entered: 08/17/2010)

General Docket
Tenth Circuit Court of Appeals

Court of Appeals Docket #: 05-1259

Golan, et al v. Mukasey, et al

06/02/2005 [1813813] Civil case docketed. Preliminary record filed. DATE RECEIVED: 6/1/05. Transcript order form due 6/16/05 for Gwen Daniel pursuant to R.42.1. Docketing statement due 6/16/05 for John McDonough, Ron Hall, Symphony of the, S.A. Publishing Co., Richard Kapp, Lawrence Golan Notice of appearance due 6/16/05 for Marybeth Peters, for Alberto R. Gonzales, for John McDonough, Symphony of the Canyons, for S.A. Publishing Co., Richard Kapp, Lawrence Golan.

07/12/2005 [1825913] Amended notice of appeal filed.

07/18/2005 [1827889] Appellant's brief filed by Lawrence Golan, Richard Kapp, S.A. Publishing Co., Symphony of the, Ron Hall, John McDonough. Original and 7 copies. c/s: y. Served on 7/18/05 Oral argument? y., Appendix filed. Original and 1 appendix copy. Appendix Pages: 2,361. Appendix consists of VII Volumes. Appellee's brief due 8/22/05 for Marybeth Peters, and Alberto R. Gonzales.

09/20/2005 [1847094] Appellees' brief filed by Alberto R. Gonzales and Marybeth Peters. Original

and 7 copies. c/s: y. Served on 9/19/05. Oral Argument? Yes. Appellants' optional reply brief due 10/6/05 for John McDonough, Ron Hall, Symphony of the, S.A. Publishing Co., Richard Kapp, and Lawrence Golan.

11/04/2005 [1860506] Appellant's reply brief filed by Lawrence Golan, Richard Kapp, S.A. Publishing Co., Symphony of the, Ron Hall, John McDonough. Original and 7 copies. c/s: y.

06/08/2006 [1925635] Case argued by Lester L. Lessig for appellant and by John S. Koppel for appellee; Submitted to Judges Henry, Briscoe, Lucero.

09/04/2007 [9509985] Affirmed in part and Remanded; Terminated on the merits after oral hearing;Written, signed, published;. Judges Henry authoring judge; Briscoe; Lucero.

11/16/2007 [9528838] Petition for for rehearing en banc filed by Mr. Peter D. Keisler and Ms. Marybeth Peters. Original and 18 copies. Served on 11/16/2007. Manner of Service: US Mail and e-mail.

12/07/2007 [9533512] Response to petition for rehearing en banc filed by Estate of Richard Kapp, Mr. Lawrence Golan, Ron Hall, Mr. John McDonough, S.A. Publishing Co., Inc. and Symphony of the Canyons. Original and 18 copies. Served on 12/07/2007. Manner of Service: Email/US Mail.

01/04/2008 [9538718] Order filed by Judges Henry; Briscoe; Lucero denying appellees' petition for rehearing en banc.

01/28/2008 [9543944] Mandate issued.

General Docket
Tenth Circuit Court of Appeals

Court of Appeals Docket #: 09-1234

Golan, et al v. Holder, et al

06/08/2009 [9665437] Civil case docketed. Preliminary record filed. DATE RECEIVED: 06/08/2009 Docketing statement due 06/22/2009 for Eric H. Holder Jr. and Marybeth Peters. Transcript order form due 06/22/2009 for Christopher R. Hall. Notice of appearance due on 06/22/2009 for Estate of Richard Kapp, Lawrence Golan, Ron Hall, Eric H. Holder Jr., John McDonough, Marybeth Peters, S.A. Publishing Co., Inc. and Symphony of the Canyons.

10/19/2009 [9703286] First brief on cross-appeal filed by Mr. Eric H. Holder, Jr. and Ms. Marybeth Peters in 09-1234, 09-1261. Original and 7 copies. Served on: 10/19/2009. Manner of service: ECF/NDA, US mail. Oral argument requested? Yes. [09-1234, 09-1261] JSK

10/19/2009 [9704374] Appendix filed by Appellants/Cross-Appellees Mr. Eric H. Holder, Jr. and Ms. Marybeth Peters in 09-1234, 09-1261. Original and 1 copy. Appendix pages: 753. Number of volumes: 3. Hard-copy only. Served on 10/19/2009. Manner of Service: FedEx. [09-1234, 09-1261]

12/04/2009 [9717325] Second brief on cross-appeal filed by Estate of Richard Kapp, Mr. Lawrence Golan, Ron Hall, Mr. John

McDonough, S.A. Publishing Co., Inc. and Symphony of the Canyons in 09-1234, 09-1261. Original and 7 copies. Served on: 12/04/2009. Manner of service: ECF/NDA, FedEx. Oral argument requested? Yes. [09-1234, 09-1261] –[Edited 12/08/2009 by SLS to correct manner of service.] ATF

12/04/2009 [9717898] Supplemental appendix filed by Appellees / Cross-Appellants Estate of Richard Kapp, Mr. Lawrence Golan, Ron Hall, Mr. John McDonough, S.A. Publishing Co., Inc. and Symphony of the Canyons in 09-1234, 09-1261. Original and 1 copy. Appendix pages: 1347. 4 Volumes. Hardcopy only. Served on 12/07/2009. Manner of Service: FedEx. [09-1261, 09-1234]

01/04/2010 [9724895] Third brief on cross-appeal filed by Mr. Eric H. Holder, Jr. and Ms. Marybeth Peters in 09-1234, 09-1261. Original and 7 copies. Served on: 01/04/2010. Manner of service: ECF/NDA, US mail. [09-1234, 09-1261] JSK

01/25/2010 [9731304] Cross-appeal reply brief filed by Estate of Richard Kapp, Mr. Lawrence Golan, Ron Hall, Mr. John McDonough, S.A. Publishing Co., Inc. and Symphony of the Canyons in 09-1234, 09-1261. Original and 7 copies. Served on: 01/25/2010. Manner of service: US mail, clerk. [09-1234, 09-1261] JAA

05/06/2010 [9760338] Matter argued by John Koppel, for Appellant, and by Anthony Falzone, for Appellee; Submitted to Judges Briscoe, Cudahy and Tacha. [09-1234, 09-1261]

06/21/2010 [9773254] Reversed and Remanded; Terminated on the merits after oral hearing; Written, signed, published; Judges Briscoe (author), Cudahy and Tacha. Mandate to issue. [09-1234, 09-1261]–[Edited 04/21/2011 by AD to replace opinion]

06/21/2010 [9773295] Judgment for opinion filed. [09-1234, 09-1261]

08/13/2010 [9788416] Mandate issued. [09-1234, 09-1261]

11/01/2010 [9811307] Petition for writ of certiorari filed by Lawrence Golan on 10/20/2010. Supreme Court Number 10-545. [09-1234, 09-1261]

03/15/2011 [9848718] Supreme court order dated 03/07/2011 granting certiorari filed. [09-1234, 09-1261]

DEPOSITION
EXHIBIT
1
Golan

IN THE UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF COLORADO

Civil Action No. 01-B-1854(BNB)

LAWRENCE GOLAN
RICHARD KAPP
S.A. PUBLISHING CO., INC.,
d/b/a ESS.A.Y RECORDINGS
SYMPHONY OF THE CANYONS
RON HALL d/b/a FESTIVAL FILMS
JOHN MCDONOUGH, d/b/a TIMELESS
VIDEO ALTERNATIVES INTERNATIONAL

Plaintiffs,

vs.

JOHN ASHCROFT, in his official capacity as Attorney General of the United States, and MARYBETH PETERS, Register of Copyrights, Copyright Office of the United States,

Defendants.

DECLARATION OF LAWRENCE GOLAN
IN SUPPORT OF PLAINTIFFS'
OPPOSITION TO DEFENDANT'S
MOTION FOR SUMMARY JUDGMENT

I, Lawrence Golan, being of lawful age and competent to testify regarding these matters, hereby

submit this declaration, pursuant to 28 U.S.C. § 1746, upon my oath.

1. I am a Plaintiff in this action. I submit this declaration in support of Plaintiffs' Opposition to Defendant's Motion for Summary Judgment. I am familiar with the facts stated in this action, and this declaration is based on facts within my personal knowledge. If asked to testify to the facts stated herein, I could and would do so competently.

2. I earned the degree of Doctor of Musical Arts from the New England Conservatory of Music in May 1995. I reside at [Home Address Omitted].

3. In addition to being a professional symphony, opera, and ballet conductor, I am an educator. I am Director of Orchestral Studies and Professor of Conducting at the University of Denver, Lamont School of Music, where I conduct the Lamont Symphony Orchestra and Opera Theatre.

4. I am the Music Director and Conductor of the Portland Ballet Orchestra in Portland, Maine, and serve as Music Director of the Colorado Youth Symphony Orchestras.

5. I was co-founder and conductor of the 36 member Atlantic Chamber Orchestra, from its formation in the Spring of 1998 until it ceased operating in 2003 for lack of funds. This orchestra drew some of the finest musicians from Maine and the Boston area and sought to bring to new audiences the pleasure of

listening to public performances of great orchestral works. We originated events that juxtaposed classical music with familiar contemporary music or other art forms, staged in a casual atmosphere that was affordable and accessible to the public. These events included a concert wine tasting that paired each piece of music with a corresponding wine, a concert combining Latin music with the serving of Latin food, and "Beatles over Beethoven," featuring music from Eleanor Rigby to the Egmont Overture.

6. In 1996, shortly before I began conducting professionally, I learned through the news or reading the paper that Congress had changed the law so as to remove certain works from the public domain. I soon felt the impact of this law first-hand when I started to contact music dealers in order to purchase sheet music for the orchestras mentioned above and learned that major orchestral works by composers such as Shostakovich, Stravinsky, and Prokofiev that had long been available for purchase, were now only available for rental.

7. It has been my experience that in order for any orchestra to perform a composition, it must have access to the printed music. I understand that most orchestras have their own libraries of music that they have purchased or that have been donated over the course of their existence. If an orchestra does not own a particular composition, there are three possible ways for the orchestra to acquire it: the orchestra may buy it, rent it, or borrow it. While a handful of our country's greatest orchestras may have large

sums of money designated for the procurement of sheet music, I believe that the vast majority of orchestras, especially in our schools and smaller communities, have very modest means. For example, most orchestras with which I have worked, including the Colorado Youth Symphony Orchestra, Portland Youth Orchestra, Atlantic Chamber Orchestra, and Southern Maine Symphony Orchestra, have budgets for the procurement of sheet music ranging between zero and a few hundred dollars per year.

8. Hundreds of early 20th century orchestral works are subject to restored copyrights. Among the most significant such works are Dmitri Shostakovich's *Symphonies, Piano Concertos,* and *Cello Concertos 1 & 2*; Igor Stravinsky's *Octet, Symphonies of Wind Instruments,* and *Symphony of Psalms*; Sergei Prokofiev's *Symphonies 1-7, Concertos, Romeo and Juliet Suites, Cinderella Suites, Lt. Kije Suite, Love of Three Oranges Suite,* and *Peter and the Wolf*; Reinhold Gliére's *Russian Sailor's Dance*; Aram Khachaturian's *Sabre Dance*; and Dmitri Kabelevsky's *Colas Breugnon Overture.*

9. Each of the pieces listed in paragraph 8 above used to be in the public domain and was available for a reasonable purchase price. Symphonies by Shostakovich, for example, were available from Edwin F. Kalmus, Inc., in 1995 for between approximately $90 and $375 for a complete set of the orchestral parts. After restoration of copyright, however, these works are no longer available for purchase. Instead, orchestras like mine must rent these works.

Even with the discounts offered by the publishers to educational institutions, it has been my experience that renting the sheet music for a full orchestra, for a single performance only, can now cost anywhere from approximately $300 to $1000 (depending mainly on the length of the piece).

10. Not only does renting copyrighted music cost far more, it also prevents conductors and musicians like me from maintaining a library of works for repeated use. In my experience, an orchestra must make certain markings on its sheet music, such as phrase indications, bowings, and nuances. To illustrate these notations, attached to this declaration as Exhibit A is a true and correct copy of one page of markings from a score of *Petroushka* by Stravinsky. Having such markings on all the instrumental parts is essential to produce a coherent orchestral interpretation. When we are done with a rented piece, we must remove all of these markings. Should we rent the same piece later, we must again spend the time to make these markings, taking valuable time from education and rehearsal.

11. The restored copyrights have had a tremendous negative impact on my ability to properly educate the students both at my university and in my youth orchestra – not to mention the impact on the thousands of people who attend our concerts each season.

12. As a music educator, I have an obligation to teach my students the works of foreign composers,

not just from the 18th or 19th century, but from the early 20th century during the formative years following World War I. In order to bring classical music to new audiences, I try to mix pieces by living composers with the older classics. There are hundreds of early 20th century works that are part of standard repertoire that, depending on the orchestra, I can no longer consider using because they have been subject to restored copyrights and removed from the public domain.

13. Removal of works from the public domain has also affected my work with the Portland Ballet Orchestra. This orchestra has 42 freelance professional members and performs the *Nutcracker* and sometimes one or two other ballets with a small chamber ensemble each year for communities in and around Portland, Maine. In the past, the Portland Ballet performed a ballet set to Prokofiev's *Peter and the Wolf* by borrowing the music. Since the copyright for this music has been restored, to perform it we would need to obtain a license for dramatic performance. This increased cost caused by the restored copyright has severely reduced if not completely eliminated the Portland Ballet's ability to perform the work. The ballet's budget for the procurement of music is so limited that in order to perform the *Nutcracker,* I had to purchase, with my own personal funds, the complete set of orchestra parts and score for $900.

14. Prior to ceasing operations in 2003, the Atlantic Chamber Orchestra had an annual music

budget of approximately $300. With this tiny budget, the Atlantic Chamber Orchestra could barely consider even renting one piece in a season, and any piece with restored copyright whose rental price was more than $300 was entirely unavailable to this orchestra.

15. The Lamont Symphony Orchestra has, on average, 67 student members and performs six symphonic concerts and one opera each year. Each of our symphonic concerts is free to the public and is attended on average by 800 people. Before I arrived to conduct the Lamont Symphony Orchestra in the Fall of 2001, the orchestra was not capable of playing much of the standard repertoire for such orchestras due to its skill level. Instead, it mostly played relatively easy pieces. In fact, I was hired by the University to improve the quality of the orchestra. Today, the orchestra is capable of playing more difficult repertoire such as the symphonies of Shostakovich and Prokofiev.

16. The Lamont Symphony Orchestra currently has a total annual budget of $6000, of which approximately $2000 is available for the procurement of music. When this law suit commenced in 2001, our annual budget was $2000, of which approximately $1200 was for procurement of music. Attached to this declaration as Exhibit B is a true and correct copy of a memorandum from Ruth Fanslow to me dated September 13, 2001. Exhibit B reflects the Lamont Symphony Orchestra's budget for the 2001-2002 academic year was $2000.

17. The Lamont Symphony Orchestra's budget must cover all of the music to be performed on six concerts. An average of four pieces per concert makes the total roughly twenty-four pieces per year. Today, renting just five restored copyright works per year, at a typical rental price of $400, would expend our entire season's music budget, forcing us to choose pieces already in the library for the remaining nineteen pieces and preventing us from expanding our library collection at all. In addition, this situation would prevent us from performing a single piece by a living composer (whose music typically must also be rented). This would be pedagogically unacceptable. It would deprive both my students and audiences of exposure to contemporary works and deprive contemporary composers of an audience. Therefore, practically speaking, the most we can perform is one or two restored copyright pieces each year.

18. In the 2001-2002 season specifically, one rental piece, *Symphony No. 2* by the American composer Charles Ives, cost us $685 to rent, even with substantial educational discounts. That, combined with the rental of three short pieces by living composers at $200 each, consumed our entire season's music budget. As a result, the remaining repertoire for concerts that season consisted only of pieces that were already in our library. A true and correct copy of our repertoire for the 2001-2002 season is attached as Exhibit C. I would very much have liked to perform a Russian work, such as *Symphony No. 1* by Prokofiev, one of the most standard audition pieces

in the repertoire. Music students need to perform and become intimately familiar with pieces such as Prokofiev's *Symphony No. 1* if they are to pursue careers as professional orchestral musicians. Unfortunately, I was unable to give my students the opportunity to perform it because it is now "protected" under copyright laws, available only for rent and therefore cost prohibitive.

19. Each year, we have an honors competition where students at the University compete for a chance to play a concerto with the Lamont Symphony Orchestra. Before a student may compete, he or she must clear the choice of repertoire with me. During the 2003-2004 season, a piano student wanted to perform the Prokofiev *Piano Concerto No. 3*, and I had to tell her that she could not audition. The reason was that if she won, we would not be able to afford the rental cost of that piece because it is one of the works subject to a restored copyright.

20. During the 2004-2005 season, the Lamont Symphony Orchestra will be performing four pieces by living composers, including one commission. The total for renting and commissioning these pieces will be approximately $1500. This leaves $500 in the music budget. Therefore, the orchestra will only have sufficient funds remaining to perform one work whose copyright has been restored, the Shostakovich *Symphony No. 1*, which will cost approximately $495 for a single performance. Before copyright restoration, this same work was available for purchase and unlimited use for merely $130. A true and correct copy of a bill

dated September 20, 2004 from G. Schirmer, Inc. & Associated Music Publishers, Inc., reflecting the sheet music rental price of $495 for a single performance on November 18, 2004 of *Symphony No. 1* by Shostakovich is attached to this declaration as Exhibit D. A true and correct copy of our currently scheduled repertoire for this 2004-2005 season is attached to this declaration as Exhibit E.

21. I learned about copyright law and the public domain through professional organizations such as the American Symphony Orchestra League and from individuals such as librarians of professional orchestras. I also have taken classes on the non-musical aspects of being a conductor at Tanglewood, Aspen, and the National Conducting Institute in Washington, D.C. I learned that musical works are eligible for copyright for a limited period of time after they are published, and that after copyright expires the works become part of the public domain. I was also taught that many orchestras avoided performing or limited the number of performances of works under copyright because of the high rental costs associated with such works. I understand that due to budget constraints, many orchestras are forced to focus primarily on works that are in the public domain. Under the law as I understood it, once a work was in the public domain it remained there and could not be copyrighted at a later date.

22. Both the Lamont Symphony Orchestra and the Colorado Youth Symphony Orchestra maintain libraries of purchased public domain music. These

libraries include works that the orchestras had purchased while they were in the public domain but that have since had copyrights restored. Examples of these works are Gliere's *Russian Sailor's Dance* and Prokofiev's *Lt. Kije Suite, Romeo and Juliet Suite,* and *Peter and the Wolf.* As I understand it, because the law has removed these works from the public domain, I can no longer freely copy or disseminate these works.

23. The symphonies and other orchestral works of Shostakovich, Prokofiev, and Stravinsky are among the most significant orchestral works of the twentieth century and have been used to train generations of musicians and conductors. Their removal from the public domain means that my orchestras can now afford to perform them only occasionally or not at all. The removal of works from the public domain has severely impaired my ability to adequately teach my students the full range of the orchestral repertoire and has deprived the public of the cultural, intellectual, emotional, and educational benefits of sufficient exposure to these great works of art.

24. Pursuant to 28 U.S.C. § 1746, I declare under penalty of perjury that the forgoing is true and correct

Executed this 3 day of November, 2004.

/s/ Lawrence Golan
Lawrence Golan

IN THE UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF COLORADO

Civil Action No. 01-B-1854(BNB)

LAWRENCE GOLAN
RICHARD KAPP
S.A. PUBLISHING CO., INC.,
d/b/a ESS.A.Y RECORDINGS
SYMPHONY OF THE CANYONS
RON HALL d/b/a FESTIVAL FILMS
JOHN MCDONOUGH, d/b/a TIMELESS
VIDEO ALTERNATIVES INTERNATIONAL

Plaintiffs,

vs.

JOHN ASHCROFT, in his official capacity as Attorney General of the United States, and MARYBETH PETERS, Register of Copyrights, Copyright Office of the United States,

Defendants.

DECLARATION OF RON HALL
IN SUPPORT OF PLAINTIFFS'
OPPOSITION TO DEFENDANT'S
MOTION FOR SUMMARY JUDGMENT

I, Ron Hall, being of lawful age and competent to testify regarding these matters, hereby submit this declaration, pursuant to 28 U.S.C. § 1746, upon my oath.

* * *

2. I am the owner and founder of Festival Films, a self-run business that sells, through its website www.fesfilms.com, public domain stock footage of movies, television shows, and cartoons, as well as copyrighted movies on videotape, DVD, and 16-mm film. I specialize in selling to colleges, universities, libraries, film archives, companies who issue DVDs of public domain films, and other members of the general public. Festival Films' address is 6115 Chestnut Terrace, Shorewood, MN 55331.

* * *

5. In 1976, before starting my business, I learned about the "public domain" through companies that made use of public domain works. These companies include Thunderbird Films, Griggs Moviedrome, Celebrity Films, Budget Films, Charlie Vesce dba Golden Era Films, Steve Newmark dba Image Works, and Bob Harris dba Biograph Entertainment. I decided to conduct my own time consuming and costly research, including sending requests to the Library of Congress to find out the copyright status of certain films. Satisfied that I could conduct a business much like those mentioned above, I started Festival Films. I bought public domain films from Thunderbird Films, Griggs Moviedrome, etc., and then sold those films to colleges and libraries. During the ensuing two decades, I continued collaborating with my suppliers of public domain films, and I developed a settled expectation that under the law, materials in the public domain would stay in the public domain forever.

6. Furthermore, I consulted a lawyer in 1981 when Corinth Films claimed they had the sole and exclusive right to sell the film "Woman in the Dunes." In a letter dated September 25, 1981, my lawyer responded to Corinth Films by refuting the claim that a film not covered by copyright for many years can be brought back under copyright control, "surplant[ing] the right of those who have invested in such [works], relying on the public domain status of the film." I have since been relying on the fact that films in the public domain would not come back under copyright control. A true and correct copy of my lawyer's letter dated September 25, 1981, to Corinth Films is attached to this declaration as Exhibit C.

* * *

8. Due to Section 514's retroactive restoration of copyright, I suddenly found myself unable to sell many of the public domain works that were freely useable and enjoyable by the public.

9. For example, some of the films restored, and that I can no longer sell, include *La Jetee,* a 1962 French film, which I had previously sold over 5,000 copies on VHS video; *Joffroi*; *Voyage Surprise*; *The Passion of Joan of Arc*; *Diary of a Country Priest*; *Le Marseillaise*; *La Grande Illusion*; *The Testament of Dr. Cordelier*; *Le Corbeau*; *The Red Balloon*; *Les Enfants-Terribles*; *Faust*; *Variete*; *The Blue Angel*; *and Metropolis.* Also, the URAA has caused great confusion as to what is actually in the public domain because some companies apparently filed for copyright restoration with the Library of Congress for films

that are not actually eligible for restoration. An example is that I am not currently able to sell several classic British films by Alfred Hitchcock, including *Blackmail, Murder, The Man Who Knew Too Much* and *The 39 Steps* until I investigate their copyright status in England. A true and correct of a complete listing of all the titles that, due to Section 514, I am no longer permitted to sell is attached to this declaration as Exhibit D.

10. I purchased 16mm negatives of the films *Last Year at Marienbad, The Gospel According to St. Matthew, Seduced and Abandoned, Seventh Seal, Persona, Los Olvidados, Viridiana*, and *World of Apu*, each at a price of approximately $600. These purchases were made before the URAA went into effect, when the works were in the public domain. As I understand it, because the law has removed these works from the public domain, I can no longer freely copy, disseminate, or use these works without the restrictions of copyright. When I obtained these works in the public domain, I did not ever expect that I would lose my rights to freely use them.

11. As a result of Section 514's retroactive restoration of copyright, I have suffered significant harm. For example, I have lost the ability to sell over 100 foreign films previously in the public domain. (See Exhibit D). Although those titles were sold as 16mm films, a media format that does not sell well today, I could also be selling them today as video masters to companies that make DVDs.

* * *

Executed this 27 day of October, 2004.

/s/ Ron Hall
Ron Hall

IN THE UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF COLORADO

Civil Action No. 01-B-1854
LAWRENCE GOLAN, *et al.*,

Plaintiffs,

v.

JOHN ASHCROFT, in his official capacity as Attorney General of the United States,

Defendant.

DECLARATION OF RICHARD KAPP IN SUPPORT OF PLAINTIFFS' OPPOSITION TO DEFENDANT'S MOTION FOR SUMMARY JUDGMENT

I, Richard Kapp, declare as follows:

* * *

2. I am a pianist, the conductor and music director of Philharmonia Virtuosi, and the founder and sole shareholder of SA Publishing Co., d/b/a/ ESS.A.Y Recordings. I reside at [Home Address Omitted].

3. I founded the chamber orchestra Philharmonia Virtuosi in 1968 and continue to serve as its conductor and music director. We perform at venues worldwide and have performed some 950 different works. Since 1991, we have been the resident orchestra at the

Metropolitan Museum of Art in New York, and we have performed our subscription concert series for 27 years at the Performing Arts Center at Purchase College of the State University of New York.

4. Philharmonia Virtuosi ("Philharmonia") has made numerous recordings over the years. Philharmonic's album *Greatest Hits of 1720* sold 225,000 copies in its first year and was the best selling album on Billboard's Classical Album chart for 56 consecutive weeks. We recorded the album with CBS Masterworks in 1977.

5. I also own and run the small recording label S.A. Publishing Co., Inc., d/b/a ESS.A.Y Recordings, incorporated in New York. I founded ESS.A.Y Recordings in 1988 as a vehicle for Philharmonia Virtuosi and in order to pursue projects that I felt had special musical merit and that would not be addressed by the major recording labels. ESS.A.Y records and sells to the public, through wholesale distributors and on the Internet at www.essaycd.com, an assortment of music on more than 75 CDs, ranging from classical to contemporary and children's music. ESS.A.Y Recordings is located at 50 Woodcrest Lane, Danbury, CT 06810.

* * *

8. Over these thirty-five plus years, from the founding of the orchestra in 1968, Philharmonia and I have depended on the availability of musical works in the public domain for our public performances and recordings.

ESS.A.Y Recordings has also depended on the availability of works in the public domain to record them and offer them for public sale. Indeed, the vast majority of the works Philharmonia Virtuosi has performed and ESS.A.Y Recordings has recorded have been works from the public domain.

9. As a conductor of Philharmonia, I have purchased and obtained the sheet music of numerous public domain works, a number, of which have been now subject to restored copyrights. For example, I obtained both the conductor's score and complete set of instrumental parts for Shostakovich's *Cello Concerto (Op. 107)* purchased in or around 1989, and for his *Piano Concerto (Op. 35)* purchased in or around 1984. I also purchased the score for Shostakovich's *Symphony No. 14* in the 1980s, I believe, for $15.00 or less.

10. I also purchased both the score and instrumental parts for Prokofiev's *Classical Symphony* in or around 1985 and for *Peter and the Wolf* in or around 1983. Attached as Exhibit A is the first page of the sheet music for *Peter and the Wolf*. It is from the Soviet publication dated 1936. As I understand it, the works of Soviet authors first published in the Soviet Union were not eligible for U.S. copyright due to the lack of a treaty agreement between the two countries.

11. Although I do not recall the exact price I paid for all these works, it was fairly typical to be able to purchase a work in the public domain

for about $15 per score and between $20 and $40 for a set of instrumental parts. My copies of the scores for some of the works still have the prices on them. For instance, the score for Shostakovich's *Symphony No. 14* bears a price tag of $15.00, discounted to $13.50. A copy of the cover of my copy of *Symphony No. 14* is attached as Exhibit B. The score of Shostakovich's *Piano Concerto* bears a price tag of $5.00, discounted to $4.50; a copy of the cover is attached as Exhibit C. The score of Prokofieff's [sic] *Classical Symphony* bears the discounted price of $7.20; a copy of the cover is attached as Exhibit D. A number of publishers, such as Belwyn Mills, Edwin F. Kalmus, and other U.S. reprint houses, sold these public domain works.

12. When I purchased these works back in the 1980s, I did not imagine that Congress would, a decade or more later, restrict my use of my own property, and subject these works to "restored copyright." As I understood copyright law, when a work was in the public domain, it was then permanently and forever for the public's unrestricted use. When I purchased these public domain materials, I had no reason to expect that I and other members of the public would lose their longstanding rights to these works, particularly after paying money for the copies. Restored copyright now prohibits me from copying these works and subjects the public performance of these works to performance fees.

13. It is my understanding that copyright restoration has removed well over a thousand musical works from the public domain from some of the greatest composers that ever lived. I believe in 1998 the American Society of Authors, Composers, and Publishers (ASCAP) sent me a notice, apparently on behalf of restored copyright holders, entitled "Copyright Restoration Catalog." The ASCAP catalog lists 34 pages of musical works that had been claimed for restored copyrights as of May 1998. The ASCAP Copyright Restoration Catalog is attached as Exhibit E.

14. The removal of these many musical works from the public domain adversely affects the pool of music from which my orchestra can select for performance. When I select works to perform in a program for my orchestra, I am very limited in the number of copyrighted works that I can select because copyrighted works impose performance fees and much higher costs for the rental of sheet music. The budget for my orchestra only allows us to perform roughly 15 to 20 percent of our program with copyrighted works. The vast majority of the works we perform are public domain works. My orchestra must also spend more time and labor, administratively, to address copyright issues related to the performance of the music or rental of music. The added time and labor are not insignificant.

15. In my experience, one of the major problems created by restored copyrights is that the sheet music for orchestral works removed

from the public domain are generally rented, not sold. The difference now between a restored copyrighted work and the same work when it was in the public domain is quite staggering. First, the prices of renting the restored copyrighted work are much greater than the prices used to be for purchasing the work in the public domain before section 514 of the Uruguay Round Agreements Act ("URAA") went into effect. I have seen the complete parts for works subject to restored copyright rent for much higher prices, sometimes in the neighborhood of $1,000 or more. Prior to copyright restoration, the same materials were available for purchase at much lower prices, in some cases for as little as $20 to $40 for a complete set of parts.

* * *

18. These several restrictions caused by restored copyrights create substantial financial and practical impediments or disincentives to performing a work subject to restored copyrights. There are a number of works that are now subject to restored copyrights that I can no longer effectively consider for inclusion in my programming for the Philharmonia because of these restrictions. Examples of these works include Prokofiev's *Piano Concerto No. 5* and *Concerto for Two Pianos and Strings*; Shostakovich's *Symphony No. 14*; Vainberg's *Flute Concerto* and *Cello Concerto*; and Schnittke's *Concerto for Violin No. 2*.

19. To discuss a specific example, I own the score of Shostakovich's *Symphony No. 14*, which as

I said earlier I had purchased when it was in the public domain. Because I did not purchase the instrumental parts, however, I would now have to rent those parts to perform the work, which is subject to restored copyright. However, the limited time period for a rental of copyrighted sheet music, not to mention its high cost, makes this work of Shostakovich effectively unattainable for my orchestra. The limited rental period greatly impinges on my orchestra's ability to learn and rehearse adequately the work.

20. I face a similar harm from copyright restoration in my capacity as the head of ESS.A.Y Recordings. The vast majority of our recordings are works in the public domain. There is much greater financial risk to ESSA.Y. Recordings in recording a copyrighted classical work, since a significant portion must go to the payment of mechanical royalties to the copyright holder (typically, collected by the Harry Fox Agency), in addition to the administrative cost associated with maintaining copyright licenses.

* * *

22. To take one example, one of ESS.A.Y Recordings' first projects in 1990 was the first American recording of the complete 15 *String Quartets* of Dmitri Shostakovich with the Manhattan String Quartet, a project that encompassed six CDs and was released in 1991. Before undertaking the recording we did a careful copyright review to determine the status of the *Quartets*. Since a majority

of the *Quartets* were clearly in the public domain (at least the first nine of the *Quartets* and possibly three others, Nos. 10, 11, and 12) and not subject to payment of royalties, we decided we could afford to record the quartets and bring them to market.

23. Our recording helped to bring attention to these 20th century musical works that had remained relatively overlooked. Shostakovich's *String Quartets*, written between 1939 and 1965, make a statement about music and life unmatched in the 20th century. Shostakovich wrote them while living under constant threat from the Soviet regime, and they are a thus both a highly personal testament and a profound reflection of 20th century history. Before our recordings, the entire set of *Quartets* had never been recorded in the United States. *Time Magazine* recognized our albums as among the "Best Classical Recordings of the Year" in 1991. BMG Music Service made them a featured selection for its music club.

24. Making these six CDs cost a great deal of money. We rented space both at the State University of New York at Purchase and at St. Peter's Evangelical Lutheran Church in Jersey City, N.J. and recorded with the Manhattan String Quartet over the course of several Months during 1990 and 1991. To my recollection, renting the space for the recording the six CDs required at least 30 sessions of 3 hours duration, which cost at least $7,000 for space rental alone. Each CD

required an engineer for about 40-50 hours of recording and editing, for a cost of at least $2,500 per CD. Costs for the design and layout of the booklet and tray card and for the writing of the liner notes totaled approximately $1,000-1,500 per CD. In all, the initial investment required to prepare these six CDs was over $30,000. This amount does not include any of the subsequent production costs incurred to bring the CDs to market.

25. In addition to this initial investment, there were many costs involved in producing the individual CDs for sale. The discs were manufactured by Nimbus Corporation, Charlottesville, VA, at a cost of approximately $1.10 to $1.25 per CD. Duplicating booklets and tray cards cost an additional $0.50 per CD, and were customarily ordered at 2,000 copies in bulk at a time. The jewel box and shrink wrap cost $0.30 and $0.05, respectively. Finally, we had to pay the musicians royalties of $1.26 per CD, for a total per CD cost of $3.21 to $3.36 simply for these production costs and musicians' royalties. Of course, this figure does not include the aforementioned preproduction costs in Paragraph 25, which must be amortized over the sales and which necessarily increases the cost figure to produce each CD. Wholesale prices at the time were typically $7.00 per CD.

26. When we decided to record Shostakovich's *String Quartets*, our planning for the feasibility and desirability of the investment was based on our firm understanding that the

majority of works were in the public domain – as they were at that time. Even though the works had yet to attain popularity in the U.S. (in fact, no U.S. recordings of the entire collection had been made), we decided to make the recordings based on the public domain status of a majority of the works.

27. Once section 514 went in effect, we were notified by the Harry Fox Agency that we were now liable for mechanical royalty payments for all fifteen *Quartets*, even those that had been in the public domain – for the sale of six CDs in our set and not just one or possibly two. The mechanical royalties added approximately $1.25 to $1.50 per disc that was saddled unexpectedly onto the cost of our recording – which, therefore, added to the already substantial costs for recording, production, and artists' royalties. If we had known copyright was going to be restored in these works of Shostakovich, the far lower net income per CD would have meant that we would never have invested the over $30,000 required on a project with such uncertain commercial prospects. Section 514 now limits ESS.A.Y's future uses of the *Quartets*, which now are all subject to copyright.

* * *

DATED this 3 day of November, 2004, at Danbury, Connecticut.

/s/ Richard Kapp
Richard Kapp

IN THE UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF COLORADO

Civil Action No. 01-B-1854(BNB)

LAWRENCE GOLAN
RICHARD KAPP
S.A. PUBLISHING CO., INC.,
d/b/a ESS.A.Y RECORDINGS
SYMPHONY OF THE CANYONS
RON HALL d/b/a FESTIVAL FILMS
JOHN MCDONOUGH, d/b/a TIMELESS
VIDEO ALTERNATIVES INTERNATIONAL

Plaintiffs,

vs.

JOHN ASHCROFT, in his official capacity as Attorney General of the United States, and MARYBETH PETERS, Register of Copyrights, Copyright Office of the United States,

Defendants.

DECLARATION OF JOHN MCDONOUGH IN SUPPORT OF PLAINTIFFS' OPPOSITION TO DEFENDANT'S MOTION FOR SUMMARY JUDGMENT

I, John McDonough, being of lawful age and competent to testify regarding these matters, hereby submit this declaration, pursuant to 28 U.S.C. § 1746, upon my oath.

* * *

2. I am devoted to the preservation and distribution of public domain movies, films, and television shows. My interest in "public domain" goes back to the late 1950's, after I had worked for several years for the North Dakota state film library, distributing educational movies to schools. I started a 16mm public domain movie library of my own in about 1962, and was also involved in motion picture printing and processing for sports analysis. I was also running movies in local bars, rest homes, schools, clubs, etc., and distributing movies to small theatre-less towns before television became available there.

* * *

4. In 1987, the predecessor to Timeless Video was started as a part of an advertising agency where I was employed. In 1994, I left that advertising agency and formally founded Timeless Video as a self-run business that serves as a channel of distribution of public domain works to television stations nationwide, and preserves old public domain movies on video and sells them to the public. Timeless Video's current address is 109 ½ Broadway, second floor, Fargo, ND 58102.

5. I started in 1987 with a basic list of about 100 movies. Over the past seventeen years, I have amassed a collection of approximately 900 public domain movies. Attached to this declaration as Exhibit A is a true and correct catalog of all movies I have collected to date. This catalog contains many of the works that are affected by Section 514 of the Uruguay

Round Agreements Act ("URAA"). Attached to this declaration as Exhibit B is a true and correct copy of a complete list of movies I can no longer preserve or sell as a result of the URAA.

* * *

7. I depend on the principles of copyright law that ensure that public domain works are free for all to use and remain that way. Circulars distributed many years ago by the US copyright office taught me that it was legal to trade material in the public domain, and that such items in the public domain could never again be restored to copyright. For example, the 1978 Circular R-15 titled "Renewal of Copyright" from the US Office of Copyright states that "[i]f a copyright originally secured between January 1, 1950 and December 31, 1977, is not renewed at the proper time, copyright will *expire permanently* at the end of the 28th calendar year of the copyright and *cannot be restored later on.*" (emphasis added). That same circular also says that "[o]nce copyright in a work has been lost, the work enters the public domain and is free for use without permission or payment. Works in the public domain cannot be protected under the new law. The 1976 Act provides no procedure for restoring protection for works in which copyright has been lost for any reason." A true and correct copy of this circular is attached to this declaration for reference as Exhibit F. Relying on the words of the Copyright Office, I felt secure in centering my business around this fundamental principle of copyright law.

8. Thus, when I learned about Section 514 of the URAA I was surprised. I knew immediately that it would substantially harm my business. For example, as shown in Exhibit B, copyright restoration has forced me to forego selling approximately fifty works that were part of the public domain. Titles I am no longer able to distribute include *Things to Come*, *The Third Man*, *Zulu*, *Doctor Blood's Coffin*, and *House of Exorcism*. I am also no longer able to sell several classic British movies by Alfred Hitchcock, including *The Skin Game*, *Rich and Strange*, *Number Seventeen*, *Murder*, and *Blackmail*. As I understand the law, I cannot even rent, much less sell, the copies of affected works in my collection.

9. I purchased the movies entitled *Night Train to Munich*, *The Baby and the Battleship*, *Blackmail*, *The Captive Heart*, *Dark Journey*, *Doctor Blood's Coffin*, *Heidi*, *Hercules*, *The Jungle Book*, *The Manxman*, *Napoleon*, *Number Seventeen*, *La Regle du Jeu*, *The Spy in Black*, *Things to Come*, and *Zulu*, each at a price of approximately $50 to $75. These purchases were made before the URAA went into effect, when the works were in the public domain. As I understand it, because the law has removed these works from the public domain, I can no longer freely copy, disseminate, or use these works without the restrictions of copyright. When I obtained these works in the public domain, I did not ever expect that I would lose my rights to freely use them.

* * *

Executed this ___ day of October, 2004.

/s/ John McDonough
John McDonough

IN THE UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF COLORADO

Civil Action No. 01-B-1854(BNB)

LAWRENCE GOLAN
RICHARD KAPP
S.A. PUBLISHING CO., INC.,
d/b/a ESS.A.Y RECORDINGS
SYMPHONY OF THE CANYONS
RON HALL d/b/a FESTIVAL FILMS
JOHN MCDONOUGH, d/b/a TIMELESS
VIDEO ALTERNATIVES INTERNATIONAL

Plaintiffs,

vs.

JOHN ASHCROFT, in his official capacity as Attorney General of the United States, and MARYBETH PETERS, Register of Copyrights, Copyright Office of the United States,

Defendants.

DECLARATION OF KORTNEY STIRLAND
IN SUPPORT OF PLAINTIFFS'
OPPOSITION TO DEFENDANT'S
MOTION FOR SUMMARY JUDGMENT

I, Kortney Stirland, being of lawful age and competent to testify regarding these matters, hereby submit this declaration, pursuant to 28 U.S.C. § 1746, upon my oath.

1. I am the conductor of the Symphony of the Canyons, a Plaintiff in this action. I submit this declaration in support of Plaintiffs' Opposition to Defendant's Motion for Summary Judgment. I am familiar with the facts stated in this action, and this declaration is based on facts within my personal knowledge. If asked to testify to the facts stated herein, I could and would do so competently.

* * *

7. Copyright restoration has harmed my orchestra by removing musical works from the public domain. The majority of the music we perform is music in the public domain. This public domain music comes from our library of primarily pre-20th century works. Symphony of the Canyons depends vitally on the availability of this music.

8. As a community orchestra, we cannot afford to pay for renting the sheet music for many copyrighted works. Our annual budget is generally $12-14,000 per year. About 80% of this comes from an annual fund-raising event; $3,000 comes from me, through a transfer of my community college teaching salary directly to the Symphony of the Canyons; and the remainder comes from random donations and some paid performances. These paid performances cover approximately 5% of our budget. We generally run a small budget surplus, which goes into a small reserve account.

9. When an orchestral work is in the public domain, we are able to purchase a complete set of

parts for the orchestra at a reasonable price, on the order of $150 for a typical work, and are able to perform the work many times. Many copyrighted works, however, are only available for rental. In my experience, the typical rental cost is roughly $450 for a single performance. Currently, performing rented copyrighted works costs us about $2,000 per year in rental fees.

10. We have worked hard as an orchestra over many years to improve our level of musicianship, and we are now capable of performing works we could not have handled earlier. Today, we would love to learn and perform Khachaturian's *Sabre Dance* or Stravinsky's *Concerto for Piano and Orchestra,* along with many other great Russian works, but the restored copyrights make it very difficult for us to do so. Prior to restoration, there was no practical impediment to our learning and performing these Russian works. But, today the restoration of copyright has the practical effect of our being unable to consider them for our repertoire. Indeed, whole categories of 20th century foreign works have been removed from our potential repertoire.

11. Prior to restoration of copyright, catalogs I used such as those from Luck's Music Library and the "Peppers" catalog from Summerhays Music Center clearly indicated that particular works were in the public domain. For example, I purchased the public domain sheet music for Prokofiev's *Peter and the Wolf* prior to copyright restoration, when it was in the public domain. As I understand it, because the law

has removed this work from the public domain, the Symphony of the Canyons can no longer freely copy, disseminate, or use it without the restrictions of copyright. When I obtained this work in the public domain, I did not ever expect that we could lose our rights to freely use it.

* * *

Executed this 28th day of October, 2004.

/s/ Kortney Stirland
Kortney Stirland

IN THE UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF COLORADO

Civil Action No. 01-B-1854 (BNB)

LAWRENCE GOLAN
RICHARD KAPP
S.A. PUBLISHING CO., INC.,
d/b/a ESS.A.Y RECORDINGS
SYMPHONY OF THE CANYONS
RON HALL d/b/a FESTIVAL FILMS
JOHN MCDONOUGH, d/b/a TIMELESS
VIDEO ALTERNATIVES INTERNATIONAL

Plaintiffs,

vs.

JOHN ASHCROFT, in his official capacity as Attorney General of the United States, and MARYBETH PETERS, Register of Copyrights, Copyright Office of the United States,

Defendants.

REPORT OF PROFESSOR MARK ROSE PURSUANT TO FEDERAL RULE OF CIVIL PROCEDURE 26(a)(2)

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1. I have been engaged by Plaintiffs as a copyright historian, and have agreed to provide my expert services on a *pro bono* basis. I have been asked to render my opinion about the purposes of the U.S. Copyright Act of 1790 as considered in historical context and, specifically, as considered in the context of the earlier British experience. My findings and

conclusions are based upon my professional training, research, and analysis. In addition to the resources described in this report, a list of resources I have considered in forming my opinions is attached hereto as ***Exhibit A***.

A. Professional Expertise

2. I am a Professor of English at the University of California, Santa Barbara, and also Associate Vice-Chancellor. I have also taught at Yale University, the University of Illinois Urbana-Champaign, and University of California, Irvine.

3. I received my Ph.D. in English literature from Harvard University in 1967 and a B. Litt. in English literature from Merton College, at Oxford University in 1963. I received my undergraduate degree (A.B.) from Princeton University in 1961, where I graduated summa cum laude in English literature.

4. In addition to the study of literature, I specialize in the study of copyright history, particularly its early development in England and elsewhere. In 1993, Harvard University Press published my book entitled *Authors and Owners: The Invention of Copyright*, which chronicles this early development of copyright laws. The book was a finalist for the National Book Critics Circle Award. It has been cited and quoted by the United States Supreme Court. *See Eldred v. Ashcroft*, 537 U.S. 186, 200 n.5 (2003).

5. I have lectured extensively on copyright history and copyright related issues. These presentations include: "Conceiving Intellectual Property: *Johnson v. Calvert* and *Burrow-Giles v. Sarony*," Legal History Seminar, Yale Law School, October 22, 1996; "Hogarth's Act and The Development of Copyright," International Conference on the Enlightenment, Dublin, July 26, 1999; "Copyright Crises and the Digital Era," Research Conference on "New Paradigms and Parallels: The Printing Press and the Internet," RAND Corporation, Santa Monica, October 5-6, 2000; "*Donaldson v. Becket* and the Rhetoric of the Public Domain," Conference of the Public Domain," Duke University School of Law, November 9-11, 2001; "Copyright and Its Metaphors," The Melville B. Nimmer Memorial Lecture, UCLA Law School, March 11, 2002; "The Early Copyright Debates and the Rhetoric of the Public Domain," Law Department, London School of Economics, December 6, 2002; "The Formation of Copyright in Britain and the Public Sphere Today," Modern Language Association, New York, December 30, 2002.

6. I have also published numerous articles on copyright history and copyright issues, including: (i) "The Author as Proprietor: *Donaldson v. Becket* and the Genealogy of Modem Authorship," *Representations*, 23 (1988), 51-85; reprinted in revised form in *Of Authors and Origins: Essays on Copyright Law*, ed. Brad Sherman and Alain Strowel (Oxford: Clarendon Press, 1994), pp. 23-55; (ii) "The Development of the Author's Copyright in Britain," The

British Literary Booktrade, 1700-1820, ed. James K. Bracken and Joel Silver (Columbia, SC: Broccoli Clark Layman, 1995), 293-296; (iii) "The Anti-Monopoly Origins of the Patent and Copyright Clause" (with Tyler T. Ochoa), *Journal of the Copyright Society of America*, 49 (2002), pp. 675-706; (iv) "Copyright and Its Metaphors," *UCLA Law Review*, 50 (2002), pp. 1-15; (v) "Nine-Tenths of the Law: The English Copyright Debates and the Rhetoric of the Public Domain," *Law and Contemporary Problems*, 66 (2003), pp. 75-87; (vi) "Copyright, Authors, and Censorship," in *The Cambridge History of the Book in Britain*, vol. 5, ed. Michael Turner and Michael Suarez (Cambridge University Press, forthcoming). A list of my publications is contained in my Curriculum Vitae, a copy of which is attached to this report as ***Exhibit B***.

7. I have written and published five books and edited four others dealing mainly with literature.

8. In addition, I have served as a consultant in numerous copyright cases for both law firms and movie studios.

B. The Historical Context of the 1790 Act

9. The history of copyright in the United States shows that the Framers and the First Congress had an overriding concern about limiting the terms of all copyrights and foreclosing the argument, popular at the time, for a perpetual copyright. Examination of the historical context of the Copyright Clause and the

Copyright Act of 1790 ("1790 Act") establishes the nature of this concern.

10. *The English Experience with Copyright.* The Framers' careful drafting of the Copyright Clause to restrict copyrights to "limited times" (U.S. Const. art. I, § 8, cl. 8) reflected the earlier English experience with copyright. In sixteenth-century England the Crown granted the guild of booksellers known as the Stationers' Company a charter to control nearly the entire printing and publishing industry. Although the Crown retained the prerogative to grant printing patents in some cases, and although the universities of Oxford and Cambridge maintained academic presses, so far as the general run of commercial printing and publishing was concerned, only members of the guild were permitted to set up presses and to publish. Conducting business according to the rules established by the Company, guild members held perpetual copyrights over both ancient and modern works. Under this regime, the notion of a "public domain" simply did not exist. But in 1695 the old Stationers' Company system was threatened by the lapse of the Licensing Act, which was the instrument through which the Company exercised its power. After some years of futile lobbying for the reinstitution of licensing, the Company changed its strategy and lobbied for a public law that would confirm its rules and restore order in the book trade. The result, in 1710, was the Statute of Anne (8 Anne, c. 19), the world's first copyright act, a copy of which is attached to this report as ***Exhibit C***.

11. The Statute of Anne codified as public law many of the practices of the Stationers' Company such as the establishment of printing and publishing rights through the entry of books in the Stationers' Register. But Parliament was as much concerned with breaking the booksellers' perpetual monopolies as it was with restoring order in the trade and therefore Parliament provided term limits for the copyrights established under the Act, including limits for "books already printed." 8 Anne, c. 19, § 1. The great London booksellers welcomed the statute, but they refused to acknowledge the authority of the term limits the statute provided. Their argument was that the statute merely confirmed an underlying common-law right of literary property derived by the booksellers from authors' natural rights in the products of their labor. These literary properties, the booksellers argued, authors transferred to them by deed of sale; in principle they were no different in kind from properties in houses or lands, and they lasted forever.

12. The booksellers' claim led to a six-decade struggle over the nature of copyright. Was copyright limited in term as the statute specified or was there an underlying common-law right that established perpetual protection? This struggle engaged many of the leading jurists of the eighteenth century including William Blackstone, the author of the *Commentaries on the Laws of England*, and Lord Mansfield, the chief judge of the Court of King's Bench and arguably the most influential magistrate of the period. Both

Blackstone and Mansfield supported the theory that there was an underlying common-law right and that copyright was, despite the limits specified in the statute, perpetual. The struggle over copyright reached a climax in the landmark case of *Millar v. Taylor* in 1769 (4 Burr. 2303, 98 Eng. Rep. 201) in which Mansfield's court, by a divided vote of three to one, confirmed the common-law right. But a few years later in 1774, in the definitive case of *Donaldson v. Becket* (17 Parl. Hist. Eng. 953; 4 Burr. 2408, 98 Eng. Rep. 257), the House of Lords, acting as the supreme court of the realm, determined that copyright was limited in term.

13. At this time the practice in the House of Lords was for all members, lawyers and laymen alike, to vote on legal questions. In important cases the Lords would solicit the advisory opinions of the twelve common-law judges, and so they did in *Donaldson*. The questions put to the judges were complex and their opinions were mixed; moreover, it is unclear whether the judges' opinions were recorded accurately at the time. The opinions, however, were not binding and the actual decision in the case was evidently made by a simple voice vote of the Lords. In *Donaldson*, then, the Lords confirmed that copyright was limited in term, and also, in effect, confirmed the "public domain" that the statute had established, the reservoir of unprotected and unprotectable works that were available to anyone to print and publish. What the Lords did not state was the theory on which their action was based. Was there no common-law

right of literary property? Was there a common-law right prior to publication that ceased when a work was published? Was there a common-law right that survived publication but then was taken away by the Statute? The Lords simply did not say. Nonetheless, in the years after 1774 an understanding developed that the decision in *Donaldson* was founded on the theory that an author did have a common-law. right, a natural right to literary property in his or her work, and that this right survived publication, but that the common-law right was extinguished by the limited term of protection granted by the Statute. This understanding was made possible by the cryptic way that the case was reported by James Burrow who appended a notice of *Donaldson* as part of his account of *Millar v. Taylor* in his authoritative 1776 collection of King's Bench reports. By the early nineteenth century Robert Maugham was able to state bluntly in his important treatise that in Donaldson "it was determined by the House of Lords that the common law right was merged in the statute." Robert Maugham, *A Treatise on the Laws of Literary Properly* 27 (1828), a copy of which is attached to this report as ***Exhibit D***.

14. *Copyright in the Early Republic.* American authors sometimes petitioned the colonial legislatures for limited printing patents for specific works, but what theory underlay these grants – whether or not they were conceived as supplements to an underlying common-law right – is impossible to say. In January 1783, the Connecticut General Assembly, petitioned by an author, responded by passing a

general copyright statute patterned on the Statute of Anne. The preamble to this act invoked "the principles of natural equity and justice, that every author should be secured in receiving the profits that may arise from the sale of his works" and one of the provisions was explicit in stating that nothing in the act "shall extend to affect, prejudice or confirm the rights which any person may have to the printing or publishing of any book, pamphlet, map or chart at common law." *See* ***Exhibit E***[1] at App. 7-12 to 7-14 (Connecticut statute). Two months later in March 1783, Massachusetts also enacted copyright legislation and this act invoked authors' "legal security" relating to the "fruits of their study and industry" as "one of the natural rights of all men," noting that there is "no property more peculiarly a man's own than that which is produced by the labour of his mind." *See* ***Exhibit E*** at App. 7-15 to 7-16 (Massachusetts statute). The drafters of both the Connecticut and Massachusetts acts, the first two copyright statutes enacted in the United States, thus appear to have been well aware of authors' common-law claims. Absent legislation, such a common-law right would of course be perpetual. It is particularly interesting, then, that the Connecticut statute is explicit in stating

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[1] Attached to this report as ***Exhibit E*** is a copy of Volume 8, Appendix 7 in Melville B. Nimmer & David Nimmer, *Nimmer on Copyright* § C at App. 7-12 to 7-40 (1993). ***Exhibit E*** contains a reprint of the copyright laws passed by the original states between 1783 and 1786.

that nothing in the act is to be understood as either confirming or extinguishing any common-law right.

15. In May 1783, shortly after Connecticut, Massachusetts, and also Maryland enacted copyright statutes, the Continental Congress resolved that all the states should provide equivalent legislation and in subsequent years every state except Delaware enacted a copyright statute. The New Hampshire and Rhode Island statutes closely followed the Massachusetts act, including *the* invocation of the author's natural right. *See* ***Exhibit E*** at App. 7-21 to 7-22 (New Hampshire statute), App. 7-23 to 7-24 (Rhode Island statute). The Georgia and New York statutes followed the Connecticut model, including both Connecticut's invocation of "natural equity and justice" in relation to the author's right and Connecticut's provision that nothing in the act was be understood as either confirming or extinguishing any authorial common-law right. *See* ***Exhibit E*** at App. 7-35 to 7-37 (Georgia statute); App. 7-38 to 7-40 (New York statute). Thus these statutes – and the somewhat different North Carolina statute as well – provide evidence that the common-law, claim was in general circulation prior to the Constitutional Convention. *See* ***Exhibit E*** at App. 7-33 to 7-34 (North Carolina statute).

16. The Framers of the Constitution were antipathetic to perpetual monopolies of all kinds; to an American sensibility these smacked of exactly the kind of abuses of prerogative that had led to the Revolution in the first place. Indeed George Mason of Virginia and Elbridge Gerry of Massachusetts refused

to sign the proposed Constitution in part because they understood it as empowering Congress to grant monopolies in trade and commerce. But the Framers, products of the eighteenth-century enlightenment, were also concerned with what the Massachusetts act called the "progress of civilization." In a remarkable clause – remarkable among other things for its specificity with regard to implementation – the Constitutional Convention empowered Congress to promote the "progress of science" – that is, the advancement of learning by securing to authors an exclusive right in their writings. (U.S. Const. Art. I, § 8, cl. 8). Moreover, well aware of the British experience and the precedent of the Statute of Anne, the Framers, specified that exclusive rights were only to be secured "for limited times" (*Id.*)

17. As the Connecticut and other state statutes indicate, American legislators in the 1780s understood the claims that had been made for copyright as a common-law right. American legislators in particular seem to have known the landmark case of *Millar v. Taylor* in which Lord Mansfield's court had declared copyright to be a common-law right. This case had been referred to in the first American edition of Blackstone's *Commentaries* published by Robert Bell in 1771, which reported that in *Millar* "it was determined (upon solemn argument and great consideration) by the opinion of three judges to one, that an exclusive copyright in authors subsists by the common law." 2 W. BLACKSTONE, COMMENTARIES ON THE LAWS OF ENGLAND 406-07 n.h (Robert Bell ed. 1771). A

copy of this passage is attached to this report as ***Exhibit F***. In any event, it was *Millar* that James Madison evidently referred to in Federalist No. 43 (1788) when, explaining the utility of the "progress of science" clause in the proposed Constitution, he noted in language that echoed Blackstone that the "copyright of authors has been solemnly adjudged, in Great Britain, to be a right of common law." THE FEDERALIST No. 43, at 267 (Henry Cabot Lodge ed., 1888); *see also id.* at xxxvi (noting first publication in 1788), A copy of this passage of James Madison is attached to this report as ***Exhibit G***.

18. In the same year that Madison invoked *Millar* in *The Federalist*, Noah Webster also invoked *Millar* and probably echoed Blackstone as well. Writing as editor of *The American Magazine*, Webster referred to a "solemn adjudication in the courts of Westminster" whereby it had been "determined that an action will lie at common law for publishing books, pamphlets, etc. without the consent of the author or publisher." THE AMERICAN MAGAZINE, Feb. 1788 (note from "Editor of the American Magazine"). A copy of this passage of Noah Webster is attached to this report as ***Exhibit H***. "This principle which is founded on common justice," Webster continued, "will undoubtedly be admitted into American courts, especially as the precedent is established in a country celebrated for the wisdom of its judicial decisions." *Id.* And Webster threatened legal action against anyone who presumed to trespass on his literary property.

19. Of course *Millar v. Taylor* was, as I have noted, overturned by *Donaldson v. Becket*, and this case, too, may have been known by some in the United States through Burrow's 1776 edition of his King's Bench reports. But, as I have also noted, Burrow's cryptic account of *Donaldson*, was at this time contributing to a consensus that the Lords in *Donaldson* actually confirmed the existence of the common-law right even while declaring that the Statute of Anne extinguished it. Since no one claimed that the Statute of Anne applied to the United States, it would have been only logical to conclude, as Webster and the drafters of some of the state copyright enactments may have done, that there was at the least a very real possibility that the author's common-law right applied in the United States and would be confirmed in American courts. That is to say, there was a very real possibility that, at least in principle, authors' literary property rights in the United States were perpetual.

20. At the time of the first U.S. Copyright Act in 1790, the status of the common-law right in this country was unclear. The power granted to Congress by the newly ratified Constitution was, however, clear and explicit insofar as the Constitution granted Congress the power to secure rights to authors "for limited times" only. The First Congress exercised this power by enacting a statute modeled closely on the Statute of Anne. Thus, the title of the Statute of Anne reads: *An act for the encouragement of learning, by vesting the copies of printed books in the authors or*

purchasers of such copies during the times therein mentioned. See ***Exhibit C*** (8 Anne, c. 19, § 1). The title of the U.S. Act was strikingly similar, even to the point of using the term "copy," which by 1790 was a somewhat archaic word for "copyright": *An act for the encouragement of learning, by securing the copies of maps, charts, and books, to the authors and proprietors of such copies, during the times therein mentioned.* Act of May 31, 1790, Ch. 15, § 1, 1. Stat. 124. A copy of the Copyright Act of 1790 is attached to this report as ***Exhibit I***.

21. The English booksellers in 1710 had sought parliamentary confirmation of their claim to hold copyrights in perpetuity just like any other kind of property. But Parliament, as I have noted, refused to enact a statute that provided for perpetual copyright. On the contrary, the Statute of Anne specified precise and limited terms, twenty-one years for books already printed and fourteen years for new books with the possibility of a second fourteen-year term if the author were still living at the expiration of the first. It is instructive to note that the terms of the Statute of Anne concerning copyright were modeled on the terms for inventions specified in the Statute of Monopolies (21 Jac. I, c. 3), the important early seventeenth-century act which abolished the abuse of the royal prerogative through grants of perpetual monopolies for various commercial activities. While abolishing abusive grants, the Statute of Monopolies nonetheless provided limited protection for useful inventions. Specifically, the Statute of Monopolies

provided twenty-one years for patents already in effect and fourteen years for new patents issued in the future. The purpose of the twenty-one year provision was to facilitate a transition to the new uniform system of limited patent grants. Likewise, the Statute of Anne's provision of twenty-one years for books already in print was designed to facilitate a transition to a uniform system of limited copyright grants. This provision assured authors and booksellers that if they had published books under the assumption that their rights would be perpetual, those rights would not immediately disappear under the statute.

22. The U.S. Copyright Act of 1790 followed the Statute of Anne in containing a nearly identical provision for existing works. Borrowing language from the earlier statute, the 1790 Act provided for works "already printed" for which the "author or authors . . . hath or have not [that is, has not or have not] transferred to any other person the copyright" and also provided for "any other person or persons . . . who hath or have purchased or legally acquired the copyright" of such works. *See* ***Exhibit I*** (Act of May 31, 1790, Ch. 15, § 1, 1 Stat. 124). Thus, like the Statute of Anne, the 1790 Act provided for existing works whether the "copyright" was still owned by the author or whether it had been transferred to someone else. The Statute of Anne provided a twenty-one year term for such works; the 1790 Act provided a more restricted term of fourteen years, one that corresponded to the initial term for new copyrights. The other principal differences between the Statute of

Anne and the U.S. statute related to the fact that the U.S. statute, coming eighty years after the Statute of Anne, was explicitly concerned with maps and charts in addition to books, and the fact that the U.S. statute restricted its privileges to citizens or residents of the United States. The Statute of Anne spoke of authors who had not transferred the "copy or copies" of their book or books, whereas the U.S. act spoke of authors who had not transferred the "copyright" of their works, but these provisions were in fact identical at least insofar as the old term "copy" was, as noted above, equivalent to "copyright."

23. It has been debated whether the 1790 Act's reference to an apparently preexisting "copyright" for works already printed alluded to the state enacted copyrights or to a common-law copyright. What appears likely to me is that Congress was cognizant of both the state copyrights and the possibility of a common-law copyright. Significantly, the U.S. statute did not follow either the Connecticut or the Massachusetts statutes by invoking the author's natural right but instead followed the Statute of Anne in avoiding any such language. The purpose of the Statute of Anne was to end any claims to perpetual copyright and to establish a limited term of protection after which works would be available for anyone to print. Likewise, the purpose of the U.S. Act of 1790 was to preempt both the state enactments and any possible claims to perpetual common-law copyright, thereby establishing a single uniform system of protection that would ensure that all works, including

"books already printed," would after a limited period of copyright enter the public domain and be available for anyone to reprint.

24. This understanding of the purpose and significance of the Federal copyright as incorporated first in the Constitutional Clause and then in the 1790 statute is substantially the same as that stated by Joseph Story in his *Commentaries on the Constitution* in 1833. Discussing the Constitutional Clause and its empowerment of Congress to enact copyright legislation, Justice Story remarks:

> "This power did not exist under the confederation; and its utility does not seem to have been questioned. The copyright of authors in their works had, before the revolution, been decided in Great Britain to be a common law right; and it was regulated and limited under statutes passed by parliament upon that subject. . . . It was doubtless to this knowledge of the common law and statuteable rights of authors and inventors, that we are to attribute this constitutional provision. It was beneficial to all parties that the national government should possess this power; to authors and inventors, because, otherwise, they would have been subjected to the varying laws and systems of the different states on this subject, which would impair, and might even destroy the value of their rights; to the public, as it would promote the progress of science and the useful arts, and admit the people at large, after a short interval, to the

> full possession and enjoyment of all writings and inventions without restraint."

3 Joseph Story, *Commentaries on the Constitution of the United States*, 48-49 (1833), a copy of which is attached to this report as ***Exhibit J***. That is to say, through the Federal copyright a uniform copyright regime was created which allowed authors to enjoy their rights for a limited time after which the works became the possession of the public at large, lying open for anyone to reprint as they wished.[2]

25. In the same year that Justice Story published his *Commentaries*, an author who signed himself by the initials J.K.A. wrote an essay on "Literary Property" in *The American Jurist and Law Magazine*. J.K.A. reveals an understanding of the purpose of the Federal copyright similar to that which Justice Story expressed, but his opinion of the legislation is very different. He sees the copyright act as depriving authors of their just rights. Making an extended argument for the perpetual common-law right that echoes Blackstone among others, he insists that the statute is a deprivation rather than a bestowal. "The copyright act of Congress is not in the

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[2] A few years before Story's *Commentaries*, William Rawle had observed the nature of the empowerment clause in the U.S. Constitution was evidence of the Founders' opinion that "such a species of property" – i.e. a common-law right – "had a legal existence." WILLIAM RAWLE, A VIEW OF THE CONSTITUTION OF THE UNITED STATES OF AMERICA 106 (2d ed. 1829), a copy of which attached to this report as ***Exhibit K***.

nature of a grant, but quite the reverse; for it permits an author to enjoy what is his own for a limited time only. . . ." J.K.A., *Literary Property*, 10 Am. Jurist L. Mag. 62, 79 (1833) (emphasis in original), a copy of which is attached to this report as ***Exhibit L***.

26. J.K.A.'s essay demonstrates that not everyone was satisfied with the regime instituted by the U.S. statute. As I have noted above, in England the Statute of Anne did not in fact resolve the matter of the common-law right because the booksellers continued to press their claims to perpetual copyright. Likewise, the 1790 Act did not definitively resolve the matter of the common-law right in this country. Noah Webster, for one, continued his energetic quest for recognition of a perpetual right, writing to his cousin Congressman Daniel Webster in 1826 to urge him to support a new copyright act, "the preamble to which shall admit the principle that an author has, by common law, or natural justice, the sole and *permanent* right to make profit by his own labor, and that his heirs and assigns shall enjoy the right, unclogged with conditions." Noah Webster, *Origin of the Copy-Right Laws of the United States*, in Collection of Papers on Political, Literary and Moral Subjects 173, 176 (1843), a copy of which is attached to this report as ***Exhibit M***. In the same letter Noah Webster alluded to the House of Lords' decision in *Donaldson v. Becket* that an author "must depend wholly on statutes" for the enjoyment of his right and expressed his belief that "such a decision would not now be sanctioned by the authorities of this country." *See*

Exhibit M at 175. Webster's influence can be felt in the legislative consideration of a new copyright bill in 1830 and in particular in the committee report in the House of Representatives, written by Webster's son-in-law William Wolcott Ellsworth, which invoked the natural rights argument and recommended extending the copyright term to twenty-eight years with a fourteen-year renewal period. "Your committee," the report stated, "believes that the just claims of authors require from our legislation a protection not less than what is proposed in the bill reported." In fact, the report implied, the proposed extension was modest considering the actual force of the author's claim. "Upon the first principles of proprietorship in property, an author has an exclusive and perpetual right, in preference to any other, to the fruits of his labor." *7 Register of Debates in Congress* (Gales & Seaton, Washington, DC, 1831) at App. cxix-cxx, a copy of which is attached to this report as ***Exhibit N***. And when the new copyright bill came before the House in 1831, Congressman Gulian Verplanck of New York again brought up the common-law argument, insisting that copyright was "the right of property existing before the law of copyrights had been made." The statute, Verplanck maintained, "did not give the right, it only secured it; it provided a legal remedy for the infringement of the right, and that was the sum of it. It was . . . merely a legal provision for the protection of a natural right." *7 Register of Debates in Congress* (Gales & Seaton, Washington, DC, 1831) at 424, a copy of which is attached to this report as ***Exhibit O***.

27. Noah Webster was wrong in his prediction that the Lords' decision in *Donaldson* would not be sanctioned by American courts. Three years after Verplanck's spirited defense of the natural right on the floor of Congress, the U.S. Supreme Court did indeed affirm that the author had only the limited copyright granted by the statute. Yet the very existence of *Wheaton v. Peters*, 33 U.S. 591 (1834), the very fact that Henry Wheaton was able to carry his common-law argument all the way to the Supreme Court and to persuade two of the seven justices that he was correct, demonstrates just how controverted the issue remained more than four decades after the statute.

28. Like the *Donaldson* decision in Britain, the *Wheaton* decision in this country effectively concluded the common-law issue. Nonetheless *Wheaton* did not conclude the debate. Thirteen years after the landmark decision, George Ticknor Curtis, the author of the first major American treatise on copyright and a proponent both of authors' rights and international copyright, suggested that the *Wheaton* Court was probably incorrect in stating that English common-law right did not apply in the United States. Curtis noted, among other things, probably referring to the dissenting opinion in *Wheaton*, that the preamble to the Massachusetts copyright statute of 1783 "has been justly thought to recognize a right already understood to exist." George Ticknor Curtis, *A Treatise on the Law of Copyright*, p. 78 (1847), a copy of which is attached to this report as ***Exhibit P***.

Moreover, in 1879 Eaton S. Drone, a strong proponent of authors' natural rights whose authoritative treatise replaced that of Curtis, insisted that both *Donaldson* and *Wheaton* had been wrongly decided. Drone analyzed the *Donaldson* decision which he found problematic. He then judged that the majority in *Wheaton* "simply followed the doubtful and disputed precedent of the House of Lords, without testing its soundness." The judges in the minority in *Wheaton*, however, "grounded their opinions on fundamental principles, which are not shaken by any reasoning to be found in the opinion of the court. These considerations," Drone continued, "deprive Wheaton *v.* Peters of much of its weight as an authority." Eaton S. Drone, *A Treatise of the Law of Property in Intellectual Productions* (1879), p. 48, a copy of which is attached to this report as ***Exhibit Q***.

28. I cite Curtis and Drone not to cast doubt on the *Wheaton* decision, which is after all foundational, but rather to set that decision in historical context and to indicate that even after the common-law issue had been definitively resolved, there was still scholarly debate over whether the Wheaton Court was correct in saying that there was never a common-law right of literary property in the United States.[3] This is significant because it indicates that the uncertainty over

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[3] *See* 1 WILLIAM CROSSKEY, POLITICS AND THE CONSTITUTION IN THE HISTORY OF THE UNITED STATES 486 (1953) ("the Common Law of the United States . . . was in a highly uncertain state on the subject of copyrights" at time of framing).

the state of the common-law right at the time of the U.S. Act of 1790 continued deep into the nineteenth century. The Supreme Court in *Wheaton* declared that there was no common-law right for published works. But what the Court decided in 1834 does not alter the conditions in 1790, and the uncertainty that existed at the time of the First Congress over the status of common-law copyrights. Examination of the U.S. Act of 1790 in historical context strongly indicates that the purpose of Congress was both to replace the state statutes and to preempt any possible common-law rights, and thereby to establish, according to the power vested in it by the Constitution, a single, uniform, and strictly limited copyright regime for the Republic.

DATED this 19th day of November, 2004, at Montecito, California,

/s/ Mark Rose
Mark Rose

Exhibit A

(Resources considered)

1. Statute of Anne, 8 Anne, c. 19 (1710) (Eng.).
2. Copyright Act of May 31, 1790, ch. 15, 1 Stat. 124 (repealed 1802).
3. Resolution of May 2, 1783, 24 Journals of the Continental Congress 1774-1789, at 326-27 (Gov't Printing Office 1922).

4. 8 Melville B. Nimmer & David Nimmer, *Nimmer on Copyright* § C (1993)

5. The Federalist No. 43 (James Madison).

6. 3 Joseph Story, *Commentaries on the Constitution of the United States*, 48-51 (1833).

7. J.K.A., *Literary Property*, 10 Am. Jurist L. Mag. 62, 62-81 (1833).

8. Noah Webster, *Acknowledgements*, Am. Mag., Feb. 1788, at 130.

9. Noah Webster, *Origin of the Copy-Right Laws of the United States*, in Collection of Papers on Political, Literary and Moral Subjects 173, 173-78 (1843).

10. William Rawle, *A View of the Constitution of the United States of America*, 104-07 (2d ed. 1829).

11. George Ticknor Curtis, *A Treatise on the Law of Copyright*, 76-77 (1847).

12. Eaton S. Drone, *A Treatise of the Law of Property in Intellectual Productions* (1879).

13. Robert Maugham, *A Treatise on the Laws of Literary Property* (1828)

14. Frank D. Prager, *A History of Intellectual Property From 1545 to 1787*, 26 J. Pat. Off. Soc'y 711-60 (1944).

15. F.D. Prager, *The Early Growth and Influence of Intellectual Property*, 34 J. Pat. Off. Soc'y 106-40 (1952).

16. Howard B. Abrams, *The Historic Foundation of American Copyright Law: Exploding the Myth of Common Law Copyright*, 29 Wayne L. Rev. 1119-91 (1983).

17. G. Thomas Tanselle, *Copyright Records and the Bibliographer*, 22 Stud. Bibliography 77-124 (1969).

18. John F. Whicher, *The Ghost of* Donaldson v. Beckett, 9 Bull. Copyright Soc'y U.S.A. 102-51, 194-229 (1962).

19. 1-3 William F. Patry, *Copyright Law and Practice* (1994).

20. Bruce W. Bugbee, *Genesis of American Patent and Copyright Law. Washington* (1967).

21. L. Ray Patterson, *Copyright in Historical Perspective* (1968).

22. Edward C. Walterscheid, *Inherent or Created Rights: Early Views on the Intellectual Property Clause*, 19 Hamline L. Rev. 81-105 (1995).

23. Edward C. Walterscheid, *To Promote the Progress of Science and Useful Arts: The Background and Origin of the Intellectual Property Clause of the United States Constitution*, 2 J. Intell. Prop. L. 1-56 (1994).

24. Tyler T. Ochoa & Mark Rose, *The Anti-Monopoly Origins of the Patent and Copyright Clause*, 49 J. Copyright Soc'y U.S.A. 675-706 (2002).

25. Thomas B. Nachbar, *Constructing Copyright's Mythology*, 6 Green Bag 2d 37-46 (2002).

26. Thomas B. Nachbar, *Intellectual Property and Constitutional Norms*, 104 Colum. L. Rev. 272-362 (2004).

27. Mark Rose, *Authors and Owners: The Invention of Copyright* (1993).

28. 2 W. BLACKSTONE, COMMENTARIES ON THE LAWS OF ENGLAND 406-07 n.h (Robert Bell ed. 1771)

29. *7 Register of Debates in Congress* (Gales & Seaton, Washington, DC, 1831)

IN THE UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF COLORADO

Civil Action No. 01-B-1854
LAWRENCE GOLAN, *et al.*,

Plantiffs,

v.

JOHN ASHCROFT, in his official capacity as Attorney General of the United States,

Defendant.

REPORT OF DR. MIHÁLY FICSOR, FORMER ASSISTANT DIRECTOR GENERAL OF WIPO, PURSUANT TO FEDERAL RULE OF CIVIL PROCEDURE 26(A)(2)

A. Introduction

1. I have been engaged by Defendant to discuss the interpretation and implementation of Article 18 of the Berne Convention.

2. I have been requested that, for this discussion, I take into account the Declaration of Professor Lionel Bently in Support of Plantiff's [sic] Opposition to Defendant's Motion for Summary Judgment, which discusses the way in which three countries party to the Convention have applied in practice this Article of the Convention.

3. The Defendant, in addition to Professor Bently's Declaration, has also made available to me the following documents: (i) Memorandum in Support of Defendant's Motion for Summary

Judgment; (ii) Plantiffs' Opposition to Defendant John Ashcroft's Motion for Summary Judgment; (iii) the Reply in Support of Defendant's Motion for Summary Judgment.

4. My analysis and findings that follow are based on my professional training and research and on my practical experience obtained as Assistant Director General of WIPO, the UN specialized agency in charge of the administration of intellectual property treaties, including the Berne Convention.

B. Professional expertise relevant from the viewpoint of the case

5. Since May 2000, I have been the President of the Hungarian Copyright Council. The 200-member Council, its 15-member Board and its President are appointed by the Minister of Justice, and the Council is linked to the Hungarian Patent Office. The functions of the Council include: (i) advising the Government on copyright policy on the interpretation of international copyright treaties and on draft laws; (ii) giving expert opinions to courts, prosecutors, the police and other governmental organizations; (iii) acting as a mediation-arbitration forum (in two cases as an obligatory step before bringing a dispute to the court: namely, in the case of disputes between collecting societies and cable operators, and in the case where beneficiaries of exceptions allege that owners of rights applying technological protection measures do not guarantee the enjoyment of certain exceptions

recognized as being important for the public interest).

6. From May 1985 to January 1999, I worked, first, as Director, and, from September 1993, as Assistant Director General, of the World Intellectual Property Organization (WIPO; UN specialized agency administering the relevant international conventions, including the Berne Convention) in charge of copyright. My tasks included the preparation of documents for, and acting as the head of the Secretariat at, meetings on various copyright issues; advising governments and legislative bodies on the interpretation of international copyright norms; proposing, and commenting on, draft legislation (in particular, concerning the interpretation and implementation of the Berne Convention); and the representation of the Organization at meetings of other intergovernmental and non-governmental organizations.

7. I was the No. 1 responsible in WIPO for the preparation of the series of meetings (including the 1996 Geneva diplomatic conference) leading to the adoption of the so-called WIPO "Internet treaties" – the WIPO Copyright Treaty and the WIPO Performances and Phonograms Treaty – which interpreted and adapted the international copyright norms (in particular, the Berne Convention) in response to the challenges of digital technology and the Internet.

8. Between 1966 and 1969, I worked as a judge at the Budapest District Court, and from 1969 to 1975 as a Head of Section in the Department of

Codification (law drafting) of the Ministry of Justice. From December 1975 to May 1985, I was, first, the Deputy Director General, and, from July 1977, the Director General of the Hungarian Copyright Bureau (appointed by the Minister of Culture) which, at that time was responsible for the copyright policy, and the representation of the country at the international level.

9. I had the honor to act as witness at two hearings of competent committees of the Congress of the United States: on May 27, 1993, at a hearing of the Subcommittee on Intellectual Property and Judicial Administrations, Committee on the Judiciary on the application of the principle of national treatment under the Berne Convention; and on November 15, 1995, at a joint hearing of the Subcommittee on Courts and Intellectual Property of the House Committee on the Judiciary and the Senate Committee on the Judiciary, about two practically identical bills: H.R. 2441 on the "NII [National Information Infrastructure] Copyright Protection Act" and S. 1284 on the "National Information Copyright Protection Act" (Mr. Bruce Lehman, the then Assistant Secretary of Commerce and Commissioner of Patents and Trademarks and Ms. Marybeth Peters, Register of Copyrights were the other two witnesses).

10. In September 1995, when Mr. Bruce Lehman (see above) requested an informal opinion of WIPO on the interpretation of Article 18 of the Berne Convention, I prepared a detailed opinion in the form of a draft letter to be signed by

Dr. Arpad Bogsch, Director General of WIPO. The Director General signed it without any substantive modification. The opinion was used in the very first intellectual property dispute under the World Trade Organization (WTO) dispute settlement system between the United States and Japan (WTO case WT/DS28). Japan accepted the position expressed in the opinion, modified its Copyright Law, and the dispute was settled without the need for establishing a panel.

11. Since my retirement from WIPO, I have been a member of the WTO dispute settlement roster on intellectual property matters. I have acted as a member of the panel on one of the most important intellectual property disputes so far (WT/DS114). It was between the European Communities and Canada, with 13 other members of WTO, including the United States, also intervening as third parties, and it concerned the interpretation of the "three-step test" under Article 30 of the TRIPS Agreement on the applicability of exceptions to patent rights (in respect of pharmaceutical products). My participation as a copyright lawyer was justified by the fact that the interpretation of that TRIPS Article took place, to a great extent, on the basis of the negotiating history of Article 9(2) of the Berne Convention (which included for the first time the "three step test" concerning exceptions to the right of reproduction; in Articles 13 of the TRIPS Agreement then it was extended to copyright in general, and, in Article 30 of the Agreement, with slight adaptation, also to patents rights). Our panel reported in March 2000. There was no appeal; Canada modified its law

as suggested in our findings. (It is to be noted that our interpretation of the "three-step test" was then adopted also by the panel reporting in June 2000 in a copyright dispute between the European Communities and the United States (WT/DS160)).

12. Before joining WIPO, I lectured for several years on copyright at the Eötvös Loránd University, Budapest. After my retirement, I started lecturing again at the Pázmány Péter Catholic University, Budapest. However, when it turned out how many invitations I receive regularly from abroad, I had to abandon it. I have every year nearly 100 invitations to speak, to give lectures, to act as moderator or chairman, or to participate in consultations, from various governments or legislative bodies (including the European Parliament), intergovernmental organizations (WIPO, WTO, UNESCO), international and national non-governmental organizations, universities, etc., of which I accept around 30 (my most frequent topics are the interpretation and implementation of the Berne Convention and the WIPO "Internet treaties," the copyright questions related to the Internet, and the collective management of copyright).

13. I have published a great number of books and articles on the topics mentioned above. My books published in recent years are as follows:

– "The Law of Copyright and the Internet – The 1996 WIPO Treaties, their Interpretation and Implementation," Oxford University Press, 2002;

– "Collective Management of Copyright and Related Rights," WIPO publication, 2003;

– "Guide to the Copyright and related Rights Treaties Administered by WIPO and Glossary of Copyright and Related Rights Terms," 2004.

Also, since 1984, I have been writing updates to my chapter on the Hungarian copyright law to the well-know [sic] international copyright publication: "International Copyright Law and Practice" (ed.: Paul Geller; LexisNexis, Matthew Bender; where the author of chapter on the United Kingdom is Professor Lionel Bently).

14. I am the Chairman of the Hungarian Copyright Forum (a professional association, which is the Hungarian national group of the International Literary and Artistic Association (ALAI)), a member of the Executive Committee of ALAI, and a member of the Association of Teachers and Researchers in Intellectual Property (ATRIP). Since my retirement from WIPO in 1999, I have also been the Chairman of the Central and Eastern European Copyright Association (CEECA) which was set up as a regional professional organization for studying the specific aspects of the copyright system of these countries. However, since the accession of the majority of these countries, in 2004, to the European Union, its importance has been largely decreased.

15. I have an independent consultancy practice, which mainly extends to giving expert opinions concerning the interpretation and application of the international copyright treaties, in particular

the Berne Convention, the TRIPS Agreement and the WIPO "Internet treaties". I do not accept the representation of any party in any legal dispute, and I have not prepared yet this kind of report as an expert witness either.

C. Interpretation and implementation of the Berne Convention as such, and as incorporated by reference into the TRIPS Agreement

(1) The Berne Convention and the Vienna Convention on the Law of Treaties

16. When, in this Declaration, reference is made to the Berne Convention, unless otherwise indicated, it means the 1971 Paris Act of the Convention.

17. The Vienna Convention on the Law of Treaties (hereinafter: the Vienna Convention) was adopted on May 23, 1969. Its Articles 31 and 32 contain detailed rules on the interpretation of international treaties. The Berne Convention is such a treaty. However, the Vienna Convention, pursuant its Article 4[1], only applies to the

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[1] Article 4 of the Vienna Convention on "Non-retroactivity of the present Convention" reads as follows:

> „Without prejudice to the application of any rules set forth in the present Convention to which treaties would be subject under international law independently of the Convention, the Convention applies only to treaties which are concluded by States after the entry into force of the present Convention with regard to such States."

treaties concluded after its entry into force. The Vienna Convention entered into force on January 27, 1980; thus, it does not apply to the Berne Convention whose latest Act was adopted in 1971.

18. In the absence of the applicability of the Vienna Convention, in principle, only the rules of customary international law might be taken into account for the interpretation of the Berne Convention. It seems, however, that Professor Sam Ricketson is right when he states as follows:

> "However, although the Vienna Convention contains some rules which represent 'progressive development' in relation to the law of treaties in general, many of its other rules are codification of customary international law. This is the case with articles 31 and 32 which deal specifically with the interpretation of treaties. [. . .] Although the rules contained in these articles are not an exhaustive codification, they are nonetheless of central importance for our present purposes" [that is, for the interpretation of the Berne Convention].[2]

19. This means that, for the interpretation of the Berne Convention, it is justified to take into

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[2] Sam Ricketson: „The Berne Convention for the Protection of Literary and Artistic Works: 1886-1986", Kluwer, 1986, (hereinafter: Ricketson) p. 134.

account the rules of Articles 31 and 32 of the Vienna Convention which read as follows:

"Article 31

"General rule of interpretation

"1. A treaty shall be interpreted in good faith in accordance with the ordinary meaning to be given to the terms of the treaty in their context and in the light of its object and purpose.

"2. The context for the purpose of the interpretation of a treaty shall comprise, in addition to the text, including its preamble and annexes:

(a) any agreement relating to the treaty which was made between all the parties in connection with the conclusion of the treaty;

(b) any instrument which was made by one or more parties in connection with the conclusion of the treaty and accepted by the other parties as an instrument related to the treaty.

"3. There shall be taken into account, together with the context:

(a) any subsequent agreement between the parties regarding the interpretation of the treaty or the application of its provisions;

(b) any subsequent practice in the application of the treaty which establishes the agreement of the parties regarding its interpretation;

(c) any relevant rules of international law applicable in the relations between the parties.

"4. A special meaning shall be given to a term if it is established that the parties so intended.

"Article 32

"Supplementary means of interpretation

"Recourse may be had to supplementary means of interpretation, including the preparatory work of the treaty and the circumstances of its conclusion, in order to confirm the meaning resulting from the application of article 31, or to determine the meaning when the interpretation according to article 31:

(a) leaves the meaning ambiguous or obscure; or

(b) leads to a result which is manifestly absurd or unreasonable."

(2) *The "toothless" nature of the Berne Convention: soft approach to the problems of its implementation*

20. The Berne Convention, similarly to the other treaties administered by WIPO, is frequently characterized as "toothless".[3] The reason for this

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[3] It is mainly orally that such kind of criticism is made about the WIPO-administered treaties. However, sometimes it

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is that, no truly effective dispute settlement mechanism is available for a case where a member country of the Berne Union finds that another member country has not implemented appropriately the Convention and, thus, that it does not duly fulfill its obligations.

21. In principle, there is an institutionalized way for settlement of disputes under the Convention. Article 33(1) of the Convention foresees the possibility of bringing a dispute before the International Court of Justice."[4] However, it is not obligatory for the countries party to the Convention to accept the competence of the Court;

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may also be found in publications, such as this: „For example, the Paris Convention [. . .] for the protection of industrial property and the Berne Convention [. . .] for the protection of artistic and literary property [. . .], both managed by the World Intellectual Property Organization (WIPO), had been in place for a long time. Yet, the lack of dispute settlement mechanism rendered the treaties rather toothless.". See: Edwin L.-C. Lai and Isabel K. Yam „International Protection of Intellectual Property: An Empirical Investigation", November 2004, at http://personal.cityu.edu.hki~efedwin/ipr_empirical_spatial_4_d2.pdf.

[4] Article 33(1) reads as follows:

"Any dispute between two or more countries of the Union concerning the interpretation or application of this Convention, not settled by negotiation, may, by any one of the countries concerned, be brought before the International Court of Justice by application in conformity with the Statute of the Court, unless the countries concerned agree on some other method of settlement. The country bringing the dispute before the Court shall inform the International Bureau; the International Bureau shall bring the matter to the attention of the other countries of the Union."

Article 33(2) allows a reservation to it,[5] a possibility which has been used by 25 of the 157 countries party to the Convention.[6]

22. It is, however, quite telling that, although this form of dispute settlement has been available since the 1948 Brussels revision of the Convention, it has never been used by any party to the Convention. This reflects the – probably justified – doubts about the efficiency of the quite heavy and time-consuming procedure before the International Court of Justice, which is considered more suitable for serious conflicts between states. It has also played a role in the non-application of this way of settling dispute that it is not clear in which way, if any, a possible decision of the Court may be enforced.

23. Due to the absence of an efficient dispute settlement mechanism, there had always been quite a liberal and easy-going atmosphere around the problems of interpretation and implementation

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[5] Article 33(2) reads as follows:

"Each country may, at the time it signs this Act or deposits its instrument of ratification or accession, declare that it does not consider itself bound by the provisions of paragraph (1). With regard to any dispute between such country and any other country of the Union, the provisions of paragraph (1) shall not apply."

[6] January 15, 2005. status; see www.wipo.int. The 25 countries are as follows: Algeria, Bahamas, Cuba, Democratic People's Republic of Korea, Egypt, Guatemala, India, Indonesia, Israel, Jordan, Lesotho, Liberia, Lithuania, Malta, Mauritius, Mongolia, Oman, Saint Lucia, South Africa, Thailand, Tunisia, Turkey, United Republic of Tanzania, Uruguay, Venezuela.

of the Berne Convention. 1986, Sam Ricketson characterized this as follows:

> "To date, no situation has arisen in which any member of the Union has sought to suspend or terminate its obligations under the Convention with respect to another member country on the ground of 'material breach'. [. . .] This is not to deny that instances of noncompliance have occurred throughout the history of the Convention, but simply that Union members have preferred not to take such drastic action and have kept their Convention obligations with the defaulting country alive. The reasons for these decisions (if, indeed, they have been consciously made) are legion, and may reflect an underlying acknowledgement that none of these breaches have been so 'material' as to justify the final sanction of suspension or termination of Convention relations with that country. Indeed, it would seem that a strong motivation has been a desire to keep the Union intact (particularly in the case of the common law countries) and to keep its doors open to new entrants. Thus, acquiescence in many alleged instances of noncompliance may now make it difficult to insist on a strict application of the Convention. [. . .] There are sound reasons for flexibility in this regard, and this is a central thread that runs through the history of the Union."[7]

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[7] Ricketson, p. 833.

(3) The TRIPS Agreement: lending teeth for the Berne Convention

24. Under Article 9.1 of the TRIPS Agreement (Agreement on Trade-Related Aspects of Intellectual Property Rights, 1994), the application of which is an automatic obligation of each Member of the World Trade Organization (WTO), "Members shall comply with Article 1 through 21 of the Berne Convention (1971) and the Appendix thereto" (with the exception of Article *6bis* [sic] on moral rights and certain rights derived therefrom). The obligation of compliance with these provisions, thus, extends to Article 18 of the Berne Convention.

25. The TRIPS Agreement, in its Article 14 contains provisions on the protection of the rights of performers, producers of phonograms (sound recordings) and broadcasting organizations (the so-called "related rights" – that is, rights related to copyright), and paragraph 6 of the Article extends the application of Article 18 of the Berne Convention to two categories of these "related rights". It reads as follows: "the provisions of Article 18 of the Berne Convention (1971) shall also apply, *mutatis mutandis,* to the rights of performers and producers of phonograms".

26. Article 63 TRIPS Agreement provides for guarantees of transparency in fulfilling the obligations under the Agreement[8] guarantees which

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[8] Paragraph 1 of Article 63 provides as follows:

"Laws and regulations, and final judicial decisions and administrative rulings of general application, made effective

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are missing from the treaties administered by WIPO, and thus also from the Berne Convention.[9] Not mentioning the fact that, when a new Member wishes to join the WTO, its laws are subject to serious scrutiny, and as a condition of

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by a Member pertaining to the subject matter of this Agreement (the availability, scope, acquisition, enforcement and prevention of the abuse of intellectual property rights) shall be published, or where such publication is not practicable made publicly available, in a national language, in such a manner as to enable governments and right holders to become acquainted with them. Agreements concerning the subject matter of this Agreement which are in force between the government or a governmental agency of a Member and the government or a governmental agency of another Member shall also be published."

Paragraph 2 obligates Members to also notify the laws and regulations referred to in paragraph 1 to the Council for TRIPS in order to assist that Council in its review of the operation of this Agreement, and paragraph 3 provides as follows:

> "Each Member shall be prepared to supply in response to a written request from another Member, information of the sort referred to in paragraph 1 A Member, having reason to believe that a specific judicial decision or administrative ruling or bilateral agreement in the area of intellectual property rights affects its rights under this Agreement, may also request in writing to be given access to or be informed in sufficient detail of such specific judicial decisions or administrative rulings or bilateral agreements."

[9] Although Article 24 of the Convention provides that "[e]ach country of the [Berne] Union shall promptly communicate to the International Bureau all new laws and official texts concerning the protection of copyright", there is no consequence if a country does not do so, neither any mechanism that would offer the possibility for the other member countries of the Union to make sure that those laws and official texts are in accordance with the Convention.

its accession, it is obligated to eliminate any elements that may be incompatible with WTO agreements, including the TRIPS Agreement."[10] No such "entry exam" existed in the case of the treaties administered by WIPO, such as the Berne Convention. Although Article 36 of the Convention states that "[i]t is understood that, at the time a country becomes bound by this Convention, it will be in a position under its domestic law to give effect to the provisions of this Convention", this remains a vague "understanding;" there is no verification process in order to find out whether this is truly the case. There was no procedure either in which the countries already party to the Convention might have a say whether or not a new country should be allowed to accede to the Convention.[11]

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[10] Article XII of the Marrakesh Agreement Establishing the World Trade Organization (WTO) providers as follows:

"1. Any State or separate customs territory possessing full autonomy in the conduct of its external commercial relations and of the other matters provided for in this Agreement and the Multilateral Trade Agreements may accede to this Agreement, on terms to be agreed between it and the WTO. Such accession shall apply to this Agreement and the Multilateral Trade Agreements annexed thereto [the TRIPS Agreement is one of those Agreements].

"2. Decisions on accession shall be taken by the Ministerial Conference. The Ministerial Conference shall approve the agreement on the terms of accession by a two-thirds majority of the Members of the WTO."

[11] Article 29(1) of the Convention simply provides that "[a]ny country outside the Union may accede to this Act and thereby become party to this Convention and a member of the

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27. It is very important that the GATT/WTO dispute settlement mechanism also covers the TRIPS Agreement.[12] According to the Dispute Settlement Understanding adopted as part of the WTO package of agreements, this means, *inter alia,* that (i) if a request is made for consultations pursuant the Agreement, the Member to which the request is made must, unless otherwise mutually agreed, reply to it and enter into consultations in good faith;[13] (ii) if the consultations fail to settle the dispute within 60 days, the complaining party may request the establishment of a panel;[14] (iii) appropriate provisions guarantee the objectivity of the panel and that it adopt its findings within a reasonable time;[15] (iv) the findings may be submitted to an

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Union. Instruments of accession shall be deposited with the Director General", and, under Article 29(2) the Convention "shall enter into force three months after the date on which the Director General has notified the deposit of its instrument of accession, unless a subsequent date has been indicated in the instrument deposited."

[12] Article 64.1 of the TRIPS Agreement:

"The provisions of Articles XXII and XXIII of GATT 1994 as elaborated and applied by the Dispute Settlement Understanding shall apply to consultations and the settlement of disputes under this Agreement except as otherwise specifically provided herein."

[13] See WTO Understanding on Rules and Procedures Governing the Settlement of Disputes (1994) (hereinafter: DSU), Article 4.

[14] See DSU, Articles 4.7 and 6.

[15] See DSU, Articles 7 to 16.

Appellate Body;[16] (v) where a panel or the Appellate Body concludes that a measure is inconsistent with a "covered agreement", such as the TRIPS Agreement, it is to recommend that the Member concerned bring the measure into conformity with that agreement; and may suggest ways in which the member concerned could implement the recommendations;[17] (vi) there are detailed provisions concerning the surveillance of implementation of recommendations and rulings by the Dispute Settlement Body;[18] (vii) in the event that the recommendations and rulings are not implemented within a reasonable period of time, "compensation and the suspension of concessions or other obligations" are available, which, in given cases, in fact, may mean serious trade sanctions against the Member which does not respect its obligations under an agreement, like the TRIPS Agreement.[19]

28. The provisions on transparency and dispute settlement, of course, apply also to the application of Articles 1 to 21 and the Appendix of the Berne Convention, the compliance with which is an obligation under Article 9.1 of the TRIPS Agreement. This means that the Members of the WTO that are also party to the Berne Convention are constrained to consider their obligations under this new incarnation of the provisions of the

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[16] See DSU, Article 17.

[17] See DSU, Article 19.

[18] See DSU, Articles 21.

[19] See DSU, Article 22.

Berne Convention more seriously than during their "Berne life," since, in the TRIPS context, there may be grave consequences of those violations of obligations which, under the Berne system, in general remain completely unchallenged.

(4) *Interpretation of Berne provisions as incorporated in the TRIPS Agreement; application of the Vienna Convention*

29. The WTO dispute settlement bodies consistently take into account and apply Articles 31 and 32 of the Vienna Convention on the interpretation of treaties when they interpret the provisions of WTO agreements, including the TRIPS Agreement, and within the Agreement, also Article 1 to 21 and the Appendix of the Berne Convention as incorporated by reference under Article 9.1 of the Agreement.

30. The findings of the panel in the dispute between the European Communities and the United States concerning section 110(5) of the U.S. Copyright Act, for example, describes the applicability of these provisions of the Vienna Conventions as follows:

> "As frequently referred to by WTO panels and the Appellate Body, the fundamental rules of treaty interpretation are Article 31[20]

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[20] [Footnote in the findings:] "A treaty shall be interpreted in good faith in accordance with the ordinary meaning to be

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> 'General rule of interpretation' and Article 32 'Supplementary means of interpretation' of the Vienna Convention. We note that, pursuant to Article 31(1) of the Vienna Convention, we have to interpret in good faith the provisions within our terms of reference in accordance with the ordinary meaning to be given to the terms of the treaty in their context and in the light of its object and purpose. [. . .] But our task does not end with that. The ordinary meaning has to be given to the terms of a treaty in their context and in the light of its object and purpose.[21]
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> "In that respect, we note that Article 31(2) of the Vienna Convention provides that: 'The context for the purpose of the interpretation of a treaty shall comprise, in addition to the

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given the terms of the treaty in their context and in the light of its object and purpose."

[21] [Footnote in the findings:] Reading treaty terms in their context requires that the text of the treaty must of course be read as a whole. One cannot simply concentrate on a paragraph, an article, a section, a chapter or a part. (Cf. Ian Sinclair, The Vienna Convention on the Law of Treaties (2nd ed.), Manchester (1984), p. 127.) *See* also: Competence of Assembly regarding admission to the United Nations, Advisory Opinion, I.C.J. Reports 1950, p. 8; Arbitral Award of 31 July 1989, Judgment, I.C.J. Reports 1991, p. 69; Polish Postal Service in Danzig, P.I.C.J. Series B, No. 11, p. 39. Yasseen notes that "[d]'autres dispositions plus ou moins éloignées risquent d'apporter une exception á la disposition qu'il s'agit d'interpreter ou de poser une condition á la mise en oeuvre de cette disposition." *See* Yasseen, L'interpretation des traités d'aprés la Convention de Vienne sur le Droit des Traités, 151 Recuell des Cours (1976-III), p. 34.

text, including its preamble and annexes: (a) any agreement relating to the treaty which was made between all the parties in connexion with the conclusion of the treaty; . . . "[22]

"The International Law Commission explains in its commentary on the final set of draft articles on the law of treaties that this provision is based on the principle that a unilateral document cannot be regarded as forming part of the context unless not only was it made in connection with the conclusion of the treaty, but its relation to the treaty was accepted by the other parties.[23] 'On the other hand, the fact that these two classes of documents are recognized in paragraph 2 as forming part of the 'context' does not mean that they are necessarily to be considered as an integral part of the treaty. Whether they are an actual part of the treaty depends on the intention of the parties in each case.'[24] It is essential that the agreement or instrument should be related to the treaty. It must be concerned with the substance of the treaty and clarify certain concepts in the

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[22] [Footnote in the findings:] Subparagraph (b) of Article 31(2) provides that the context for the purpose of the interpretation of a treaty also comprises: "any instrument which was made by one or more parties in connexion with the conclusion of the treaty and accepted by the other parties as an instrument related to the treaty."

[23] [Footnote in the findings:] Sinclair, op.cit. p. 129.

[24] [Footnote in the findings:]Yearbook of the International Law Commission (1966-II), p. 221.

treaty or limit its field of application.[25] It must equally be drawn up on the occasion of the conclusion of the treaty.[26] Any agreement or instrument fulfilling these criteria will form part of the 'context' of the treaty and will thus not be treated as part of the preparatory works but rather as an element in the general rule of interpretation.[27]

"Also uncontested interpretations given at a conference, e.g., by a chairman of a drafting committee, may constitute an 'agreement' forming part of the 'context.'[28] However, interpretative

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[25] [Footnote in the findings:] Yasseen, L'interpretation des traités d'aprés la Convention de Vienne sur le Droit des Traités, op.cit., p. 37; cited by Sinclair, op.cit., p.129.

[26] [Footnote in the findings:] "Il y a ici une certaine notion de contemporanéité, l'un ou l'autre peut étre concomitant á cette conclusion, mais il peut la précéder ou la suivre sans s'en éloigner trop. Cette condition est justifée par l'idée méme du contexte." See: Yasseen, op.cirt., paragraph 16, p. 38.

[27] [Footnote in the findings:] Sinclair, op.cit. 129. Sinclair mentions the example of the Council of Europe, where governmental experts charged with the task of negotiating and formulating an international convention of a particular topic, draw up, in parallel with the text of the convention, an explanatory report which sets out the framework within which and the background against which the convention has been drawn up, and which then goes on to furnish an article by article commentary on the text. The explanatory report is agreed upon unanimously by the governmental experts responsible for drawing up the text of the convention and it is adopted simultaneously with the text of the convention.

[28] [Footnote in the findings:] "De plus, la procédure de certaines conférences générales permet, sans adoption de résolution formelle, de discerner un accord qui fait partie du

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or explanatory statements by members of a drafting committee in their personal capacity should be considered, if at all, simply as part of the preparatory works. We recall in this respect that, according to Article 32 of the Vienna Convention, preparatory works of a treaty are relevant as supplementary means of interpretation, together with the circumstances of its conclusion, *inter alia*, in order to confirm the meaning resulting from the application of Article 31 of that Convention."[29]

D. The TRIPS dispute settlement mechanism showing its "teeth" for the first time – in a dispute about the interpretation and application of Article 18 of the Berne Convention

31. The very first dispute under the TRIPS Agreement concerned the interpretation and implementation of Article 18 of the Berne Convention.

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contexte. Des explications concernant une disposition pourront être données, avant le vote de cette disposition, par une personne chargée par la conférence d'une certaine fonction. Le président du comité de rédaction peut, en tant que tel, être appelée à préciser le sens d'une disposition telle qu'elle est adoptée par ce comité. Si la déclaration n'a pas été contredite ou moins pas sérieusement, et si la disposition ainsi clarifiée est acceptée par un vote à la majorité requise, il est possible de soutenir que cette acceptation s'étend à ladite déclaration, qui peut ainsi être considerée comme la base d'un accord faisant partie du contexte. Tout se raméne ici à une question de preuve susceptible d'ètre élucidée par les circonstances qui ont entouré l'adoption de la disposition dont il s'agit." *See*: Yasseen, op.cit., paragraph 20, p. 39.

[29] WTO document WT/DS160/R of June 15, 2000; paras 6.43-6.46.

32. The dispute related to the way Japan had regulated the term of protection of the rights of performers and producers of phonograms. Japan began protecting these rights in 1971, but did not extend protection to phonograms that had been produced earlier. The United States, in view of the possibility that, from January 1, 1996, it could initiate a dispute settlement procedure, began the preparation therof [sic], and launched negotiations with Japan. The U.S. complaint was based on the following considerations: Article 14.6 of the TRIPS Agreement prescribes that Article 18 of the Berne Convention must be applied, *mutatis mutandis,* to the rights of performers and producers of phonograms. Article 14.5 of the Agreement provides that the term of protection of the rights of performers and producers of phonograms lasts at least 50 years computed from the end of the calendar year in which the fixation was based. Under the TRIPS Agreement, all the phonograms that have been fixed since 1946, and that have not fallen into the public due to the expiry of the term of protection *previously granted,* must be protected. The phonograms fixed between 1946 and 1971 did not enjoy protection at all and, thus, there was no term of protection "previously granted" that could have expired. For these reasons it is an obligation of Japan under the TRIPS Agreement to change its Copyright Law, and to extend protection to such phonograms previously having been in the public domain. In 1996, the United States initiated a dispute settlement procedure against Japan,

and later the European Communities followed suit for the same reasons.[30]

33. It was still during the preparatory negotiations between the United States and Japan that Bruce Lehman, the then Assistant Secretary of Commerce and Commissioner of Patents and Trademarks, in September 1995 asked for WIPO's "informal views" concerning the interpretation of Article 18 of the Berne Convention. Dr. Arpad Bogsch, the then Director General WIPO asked me to prepare a study on this topic in the form of a draft letter (hereinafter: "the Bogsch letter"). The draft of the Bogsch letter, in accordance with Articles 31 and 32 of the Vienna Convention, was prepared on the basis of a through [sic] analysis of the negotiating history of this Article as reflected in the Records of various diplomatic conferences adopting and revising the Berne Convention. Dr. Bogsch signed and sent it to Mr. Lehman on October 10, 1995 without any substantive modification. (The letter was published later in the Journal of the Copyright Society of the USA.[31]) Its text is attached to this Report as an Annex.

34. The above-mentioned "informal views" expressed on behalf of the International Bureau

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[30] For the description of the two disputes and their outcome, see Matthew Kennedy and Hannu Wager: „WTO Dispute Settlement and Copyright: The First Seven Years", in "ALAI Copyright – Internet World; Report on the Neuchâtel Study Days, 16-17 September 2002", pp. 242-43.

[31] Winter 1995 issue.

of WIPO were used during the consultations: The dispute and the parallel dispute between the European Communities and Japan were settled through mutually agreed solutions in accordance with the position expressed in the letter; thus, there was no need to set up panels.[32]

35. As a condition of the mutually agreed solutions, Japan in December 1996 amended its Copyright Law to grant protection to performers in respect of their performances having taken place in a WTO Member and to producers of phonograms (sound recordings) fixed by a national of a WTO Member for a term of 50 years from the end of the calendar years in which the performance took place or the fixation was made, respectively. This protection extended to all phonograms that had not yet fallen into the public domain, due to the expiry of a term of protection previously granted, either in the country of origin or in Japan (that is, also to phonograms fixed between 1945 and 1971 referred to in the complaint of the United States).[33]

36. This very first WTO dispute settlement case showed quite clearly that violations of obligations under the Berne Convention having

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[32] See WTO documents WT/DS28/4 and WT/DS42/4 containing the notifications of the mutually agreed solutions.

[33] See Kennedy's and Wager's paper (n 30, above), p 243. See also Copyright Research Institute of Japan (CRIC): „Copyright Update, Japan", Part IV. 10(I) „Retroactivity of scope of protection of related rights (revision 1996) – Expansion of retroactivity of the scope of protection of related rights" at http://www.cric.or.jp/cric_e/cuj/cuj99/cuj99_1_4.html.

remained unchallenged in the pre-TRIPS life of the Convention, may suddenly emerge with great emphasis in the WTO/TRIPS system and that a country party to the Convention may find that, if the violation is challenged in this new system, it has to eliminate the incompatible element from its Copyright Law if it wants to avoid unpleasant trade consequences. A U.S. commentator of the case described the big difference between the two systems as follows:

> "Under the Berne Convention alone, countries might have been able to shrug off such an opinion. Under the TRIPS agreement, however, any dispute would go to a WTO panel, and the panel would indeed look to materials as the Ficsor opinion[34] as a factor in treaty interpretation. The possibility that Japan could actually lose in front of a panel suddenly became real. An official from the Japanese copyright office quietly admitted to USTR that he believed the U.S. interpretation was probably correct."[35]

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[34] It turns out from the rest of the article that the commentator referred to the Bogsch letter as "Ficsor opinion."

[35] Stephen Obenski: "Retroactive Protection and Shame Diplomacy in the US-Japan Sound Recordings Dispute, or, How Japan Got Berne-d", Minesota [sic] Intellectual Property Review, vol. 4, 2002, No. 1, p. 203 (footnotes have been left out from the text).

E. Analysis and interpretation of Article 18 of the Berne Convention in accordance with the Vienna Convention, as required by the level of scrutiny under the TRIPS Agreement

(1) Preliminary remarks

37. As indicated above, the interpretation of Article 18 of the Berne Convention included in the Bogsch letter has been made on an analysis carried out in due harmony with Article 31 and 32 of the Vienna Convention, which are also consistently applied by the WTO dispute settlement bodies.

38. The interpretation of Article 18 that follows is based on the same analysis as in the Bogsch letter. In this report, however, mainly those elements of the provisions of the Article are emphasized which more closely relate to the issues in the present matter; that is, to the issues concerning the status of "reliance parties" in case of restored copyright protection.

(2) "Retroactivity": a misleading reference to the effect of Article 18

39. Quite frequently, the effect of Article 18(1) and (2) of the Berne Convention is characterized as "retroactive protection".[36] This expression,

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[36] In fact, even at the Berne diplomatic conferences where the first version of what is now Article 18 was prepared and adopted, sometimes reference was made to its effect as "retroactivity".

however, is imprecise and quite unfortunate. There is no retroactive protection required under these provisions in the sense that certain acts carried out before the entry into force of the Convention – which at that time, in the absence of protection, were allowed and free – would be considered infringements retroactively. The provisions of Article 18 only mean that the obligations under the Convention must be respected from the very moment of the entry into force of the Convention for a given country, including the obligation that all works must be protected (subject to the said provisions) in the case of which the duration of protection has not expired yet (it is only from that moment that, for the performance of acts covered by exclusive rights, their authorization is needed, and that possible rights to remuneration apply).

40. At the second Berne diplomatic conference held in 1885, the delegate of Germany pointed out the absence of real retroactive effect of the then still draft provisions which already contained the key elements of what became later Article 18 of the Berne Convention:

> "Mr. Reichardt explained that the draft convention did not recognize retrospectively properly speaking and did not injure the interests of anyone. In effect, reproduction made or commenced lawfully before the entry into force of the Convention did not fall

under the prohibitive dispositions of the latter."[37]

41. Since Article 18(1) and (2) do not have real retroactive effect, their application could hardly raise any justified constitutionality problem. Such problems may only emerge in respect of "acquired rights". Article 18(3) of the Convention, however – as discussed below – offers an appropriate solution to such problems in allowing *transitional* provisions in order to respect the "acquired rights" of those who relied on the legal situation existing before the entry into force of any restored protection. These provisions and measures, however, may only serve the objectives indicated in the Records of the various diplomatic conferences, as quoted below, and may not be applied beyond a reasonable time after the entry into the force of the Convention or the extension of the term of protection.

42. It is to be noted that, while, in a WIPO Guide to the Berne Convention published in 1978, Article 18 is still discussed under the (unofficial)[38] title "Retroactive Effect of the Convention",[39] in the new WIPO Guide to the Convention, the

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[37] *"Actes de la Conférence internationale pour la protection des oeuvres littéraires et arastique réunie à Berne du 8 au 19 septembre 1885*, International Office, Berne, 1886, p 36.

[38] Unofficial, since, in the official text of the Berne Convention, the articles do not bare [sic] any titles..

[39] See C. Masouyé: „Guide to the Berne Convention", WIPO publication No. 615(E), I978 (hereinafter: Masouyé), p. 100

analysis of the Article takes place under the neutral (unofficial) title "Works Existing on Convention's Entry into Force."[40]

43. Article 13 of the WCT provides for the application, and Article 22(1) of the WPPT provides for the *mutatis mutandis* application, of Article 18 of the Berne Convention to the rights provided for in those treaties, and the – official – title of those provisions does not contain any reference to any alleged retroactive effect; it reads as follows. "Application in Time."

(3) The basic rules under Article18(1) and (2)

44. The basic rules concerning the application in time of the Berne Convention are included in paragraphs (1) and (2) of Article 18 of the Convention which read as follows:

> (1) This Convention shall apply to all works which, at the moment of its coming into force, have not yet fallen into the public domain in the country of origin through the expiry of the term of protection.
>
> (2) If, however, through the expiry of the term of protection which was previously granted, a work has fallen into the public domain of the country where protection is

[40] See M. Ficsor: "Guide to the Copyright and Related Rights Treaties Administered by WIPO", WIPO publication No. 891, 2003, p. 97.

claimed, that work shall not be protected anew."

(4) *"This Convention shall apply"*

45. The first element reads as follows: "This Convention shall apply. . . ." Since, in international treaties, in such a context, the ordinary meaning of "shall" refers to an obligation, these words mean that it is an obligation of a country adhering to the Convention to apply *all* provisions of the Convention, with the exceptions explicitly permitted by the Convention.

46. The latter phrase – "with the exceptions explicitly permitted by the Convention" – in the context of the Berne Convention, should be interpreted in harmony with Articles 30(1) and 36 of the Convention. Article 30(1) of the Convention provides as follows: "Subject to the exceptions permitted by paragraph (2) of this Article, by Article 28(1)(b), by Article 33(2), and by the Appendix, ratification or accession shall automatically entail acceptance of all the provisions and admission to all the advantages of this Convention." This provision is clear: a country adhering to the Convention is not free to apply or not to apply certain provisions of the Convention; the possible exceptions are provided in an exhaustive manner. Two of the exceptions – the ones provided for in paragraph (2) of Article 30 and in Article 28(1)(b) – are of a historical nature without any relevance for the application of the Convention by the great majority of countries party to the Convention, including the United

States.[41] As discussed above, Article 33(2) provides for the possibility of reservation to the use of the international Court of Justice as a forum of dispute settlement; and the majority of countries party to the Convention, again with the United States is [sic] among them, has not made use of that reservation.[42] Thus, for the majority of member countries of the Berne Union, including the United States, the meaning of this phrase – "The Convention shall apply" – is simply this: all the provisions of the Convention must be applied; including the provisions on the term of protection of works.

47. It should be pointed out that, since only Articles 1 to 21 and the Appendix of the Berne Convention are incorporated by reference into the TRIPS Agreement by its Article 9.1, none of the above-mentioned exceptions are relevant in the application of the Berne norms in the TRIPS context. Therefore, in the application of the TRIPS Agreement, the phrase "The Convention shall apply" definitely means that all Berne provisions incorporated by reference must be applied without any exception.

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[41] Article 30(2) provides for a certain option for developing countries, while Article 28(1)(b) contains historical provisions making it possible to restrict the effect of accession to the final and administrative provisions of the Convention (excluding Articles 1 to 21 and the Appendix).

[42] See para. 22, and n. 6, above.

(5) *"to all works which, at the moment of its coming into force, have not yet fallen into the public domain in the country of origin through the expiry of the term of protection"*

48. The second element of the provisions of Article 18(1) and (2) reads as follows: "to all works which, at the moment of its coming into force, have not yet fallen into the public domain in the country of origin through the expiry of the term of protection."

49. First, it should be noted that the phrase starts with the words "to all works." This means that, unless the limitations that follow are not applicable to a given work, it is an obligation to apply all provisions of the Convention, including those of Article 7 on the term of protection, in respect of all works. That is, at this point of the text, the starting position is that all the existing works in respect of which the term of protection has not expired yet, on the day of the entry into force of the Convention, in the country of origin must be protected until the term under Berne Article 7 expires.

50. In the phrase just quoted above, the first limitation of the obligation to apply the Convention to all existing works relates to the status of the works *in their country of origin* (determined by Article 5(4) of the Berne Convention, which is also incorporated in the TRIPS Agreement by reference). It is not an obligation to apply the Convention to those works which, at the moment of the coming into force of the Convention, have fallen into the public domain in the

country of origin through the expiry of the term of protection. It should be underlined that the exception to the obligation to grant protection from the moment of the entry into force of the Convention does not extend to those works which, in the country of origin, fell into the public domain before the entry into force of the Convention for a reason other than the expiry of the term of protection previously granted (for example, because a formality, such as registration, had not been met) or have always been in the public domain due to the absence of protection on the basis of an international or bilateral treaty. For such works, the Convention must be applied even if, at the moment of the entry into force thereof, they were in the public domain in the country of origin due to the said other reasons (but their hypothetical term of protection has not expired yet).

(6) *"If, however, through the expiry of the term of protection which was previously granted, a work has fallen into the public domain of the country where protection is claimed, that work shall not be protected anew."*

51. The third element of the provisions of Article 18(1) and (2) is this: "If, however, through the expiry of the term of protection which was previously granted, a work has fallen into the public domain of the country where protection is claimed, that work shall not be protected anew." This other limitation of the obligation to grant protection relates to the status of the work *in the country where protection is claimed*, and it is

only applicable if three conjunctive conditions are present: first, the work concerned was previously protected in the country where protection is claimed; second, it has, however, fallen into the public domain; and, third, the reason for its falling into the public domain was the expiry of the term of protection previously granted.

(7) Article 18(3) on the application of Articles 18(1) and (2)

52. Article 18(3) reads as follows:

> "(3) The application of this principle shall be subject to any provisions contained in special conventions to that effect existing or to be concluded between countries of the Union. In the absence of such provisions, the respective countries shall determine, each in so far as it is concerned, the conditions of application of this principle."

53. There are two key elements of these provisions – in the first sentence, the phrase "The application of this principle," and, in the second sentence, the term "conditions" – that require separate analysis.

(8) "The application of this principle . . . "

54. In interpreting Article 18(3), first, it should be noted that it speaks about "[t]he application of this principle." In this context, the expression "this principle" refers obviously to what is included in paragraphs (1) and (2) of the Article (and which has been discussed above).

Therefore, it also seems obvious that what is prescribed is the *application* of those provisions. The word "application" should be particularly stressed: the said provisions *must be* applied; there is no basis in the text of the provision for any suggestion that a country might be able to deny or limit the application of "this principle", that is, of paragraphs (1) and (2) of the Article.

(9) "conditions"

55. What is only allowed is to subject the application to certain provisions under special conventions between countries party to the Convention, or, in the absence of such special provisions, to determine in each country "the conditions of the application of this principle." The expression "conditions of the application of this principle" means quite clearly that the conditions should serve the *application* of the "principle" (that is the way it is applied), and that they may not be imposed on the "principle" itself.

(10) Confirmation and further guidance in Records of diplomatic conferences, in particular, concerning the transitional nature of "conditions"

56. The Records of the various diplomatic conferences preparing, adopting or revising the Convention confirm that the above-outlined interpretation of Article 18(3) is correct, and they also offer explanation as to what may consist of the "conditions of application of this

principle". They clarify that these conditions may only consist of some *transitional* provisions the purpose of which is to protect the legitimate interests of those who have relied on a previously existing legal situation, where there was no copyright protection for the works concerned, and who have invested into the exploitation of works before the restoration of their protection. In the following paragraphs, the relevant parts of the Records are quoted. (In the quotations, emphasis is added to certain words and expressions.)

57. The Report of the fifth meeting of the first Berne conference held in 1884 referred to the proposed provisions which were similar to those of the present Article 18(1), and added as follows:

> "It was pointed out that the above Article had to do with the *transitional provisions* which the Final Protocol would rule upon. As to the substance, the Committee had acknowledged that it was very difficult, if not impossible, to specify at the outset matters that concerned *acquired rights* at the time of the entry into force of the Convention (see the minutes of the third meeting of the Conference, on Question 13). Consequently, it proposed reserving the settlement of the

matter for conventions that had been or would be concluded."[43]

58. The minutes of the third meeting of the conference mentioned in the preceding text reads as follows:

> "Question 13: 'Should it not be specified, subject to the usual reservations and conditions in favour *of acquired rights,* that the projected convention will be retroactive?' . . . Mr. Reichhardt explained that by *acquired rights* he meant those, that related to *copies of works; and also objects specially intended for reproduction, that were completed or in the process of being completed on the entry in to force of the Convention* . . . "[44]

59. The Report of the 1896 Paris diplomatic conference refers to the new fourth paragraph included in Final Protocol No.4, which stated that "the above-mentioned *temporary provisions* shall apply in case of new accessions to the Union," and then it adds as follows:

> "It is considered that countries joining the Union all need to take *transitional measures* just as much as countries which have been party to it from the outset [. . .] To this end, it had been proposed stating that 'countries which have not taken measures within a

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[43] "*Actes de la Conférence internationale pour la protection des oeuvres littéraires et artistique réunie à Berne du 8 au 19 septembre 1884*, International Office, Berne, 1886, pp. 58-59.

[44] Ibid, p. 35.

> period of two years will be deemed to have purely and simply accepted the principle of retroactivity'. [. . .] Nevertheless, doubts arose. It was feared that a fixed time limit might be considered awkward and might dissuade certain States, whose accession to the Union was considered particularly desirable, from doing so. The vast majority of the Committee did not share these fears; however, it did not want to carry on regardless and not take account of the scruples of one of its members. It therefore deleted the sentence in question."[45]

60. The Report of the 1908 Berlin revision conference, which established Article 18 of the Convention in a nearly definitive manner, also indicates the intended nature of "conditions of the application of this principle" (that is, paragraphs (1) and (2) of Article 18):

> "Account had to be taken of the *de facto* situation existing in certain countries at the time the Convention came into force, of *the interests of those who might have lawfully reproduced or performed foreign works without their authors' authorization.*"[46]

61. To sum up: it is clear that paragraph (3) of Article 18 does not allow any denial or limitation

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[45] *Actes de la Conférence de Paris de 1896,* International Office, 1897, Berne, pp. 174-75.

[46] *Actes de la Conférence de Berlin 1908,* International Office, Berne, 1909, p. 268.

of the application of paragraphs (1) and (2) of the same Article. It only allows certain "temporary provisions, transitional measures" the purpose of which is to be limited to the protection of certain "acquired rights," particularly of the acquired rights "related to copies of works, and also objects specifically intended for reproduction, that were completed or in the process of being completed on the entry into force of the Convention." No specific deadline is fixed by the Convention for such "temporary provisions" and "transitional measures;" it seems, however, that – in spite of the fact that, at the 1896 Paris diplomatic conference, the idea of fixing a time limit was not finally adopted – such provisions and measures, in general, should not be applied for a period longer than two years from the restoration of protection.. In a way, this two-year period as a possible maximum for the "temporary measures" and "transitional measures" is confirmed implicitly by Article 13(2) of the 1971 Paris Act of the Convention which reads as follows:

> "Recordings of musical works made in a country of the Union in accordance with Article 13(3) of the Conventions signed at Rome on June 2, 1928, and at Brussels on June 26, 1948, may be reproduced in that country without the permission of the author of the musical work until a date *two years after that country becomes bound by this Act.*"

F. Practices applying Article 18(3) of the Berne Convention, with special attention to the status of "reliance parties"; doubts about the chance of the United Kingdom model for passing greater scrutiny under the TRIPS Agreement

(1) The latitude offered to countries party to the Convention by Article 18(3) – and the limits thereof

62. During the "pre-TRIPS life" of the Convention, commentators frequently emphasized the quite broad freedom of member countries of the Berne Union regarding the implementation of Article 18(3) of the Convention.

63. Claude Masouyé, in his Guide to the Berne Convention, published by WIPO in 1978, comments on Article 18(3) in this way:

> "Bilateral agreements may govern the way in which this principle is applied; if there is none, the Convention leaves member countries a great deal of latitude over what their law may contain [. . .]
>
> [. . .] It is matter therefore for each member country to decide on the limits of this retroactivity and, in litigation, for the courts to take into account [the] acquired rights."[47]

64. Sam Ricketson, in his book on the Berne Convention, published in 1986, on the occasion of

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[47] C. Masouyé, p. 101.

the centenary of the Convention, expresses the same opinion about Article 18(3):

> "These provisions leave considerable latitude to countries as to how they will implement the principle of retroactivity. [. . .] It would obviously have been better if the Convention itself had contained the appropriate provisions to be applied, but the difficulties involved here clearly deterred any effort in this direction at the original Berne Conferences, and there have been no later proposals made in this regards. In consequence, wide differences are to be seen in the provisions adopted by member countries."[48]

65. The analysis of the text of Article 18 and the negotiation history of the Convention in Part E above, however, indicates that it would not be appropriate only emphasizing the latitude available in the application of Article 18(3), since there are certain limits to the freedom of member countries. This is also seen by Ricketson, who identifies the following criteria to be taken into account:

> "[T]he following general points should be noted:
>
> "1. There is no basis on which the principle of retroactivity can be denied. The conditions and reservations can only be imposed on the 'application of the principle', that is, its carrying into effect: they cannot be imposed on

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[48] Ricketson, p 674.

the principle itself. Thus, it would not be permitted to deny retroactivity altogether in relation to a particular class or classes of works.

"2. The provisions should also be of limited duration: although the word is not used, they are transitional in nature,[49] and their essential purpose should be to ensure that third parties who have previously acted in the absence of legal restraint should not be penalized once these restraints have come into operation. On the other hand, this does not authorize their usage indefinitely: a situation must eventually be reached when the work is protected in relation to all persons.

"3. There is no time specified as to when these conditions may be imposed. In the normal case, this will be done at the time of ratification or accession. On the other hand, it should be noted that several proposals laying down time limits in this regard were rejected at the early revision conferences,[50] and it is therefore open to a country to impose these conditions at its own convenience."[51]

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[49] [Footnote in the quoted text:] See again the comments made in the 1885 Berne Conference: note 14. [Note 14 refers to what is also quoted in para. 40 in this report above.]

[50] [Footnote in the quoted text:] See, for example, the proposal of the French Government and International Bureau at the Paris Conference of 1896: *Acts* [Records of the conference], 1896, 45-46.

[51] Ricketson, p 675.

66. Ricketson refers to the limits of the latitude available to member countries in the application of Article 18(3) quite correctly. Only the following comments seem to be necessary on the basis of the analysis in Part E above[52]: First, the essence of the "principle" mentioned in Article 18(3), as discussed above, is that "this Convention shall apply." It is this principle on which, as also Ricketson rightly states, no condition can be imposed. Applying the Convention means the application not only *certain* provisions but *all* provisions of the Convention. The application of the Convention – on which no condition may be imposed – thus means that the authors and other owners of rights must enjoy, in respect of the works to be protected under Article 18(1) and (2), all the rights provided for in the Convention, subject to the exceptions permitted by the Convention, until the expiry of the term of protection prescribed in the Convention. Second, it follows from this principle alone that any condition may only be of a transitional nature; it may delay the full application of the Convention only as long as it is inevitable for settling the problems of "reliance parties". As it is discussed above, the negotiating history of the Convention

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[52] It does not seem necessary to include this as a substantive comment, but, it should be noted that, of course, for the reasons discussed in paragraphs 40 to 42, above, the use of the term "retroactivity" is not precise in this context, since no real retroactivity is foreseen in Article 18. At the same time, it is understandable that Ricketson also uses this expression, since it is quite deeply rooted in "legal folklore", and it has a special meaning in this context.

confirms that the "conditions" may only have a transitional effect. Third, although it is true that, in Article 18, no time limit is specified, in the text of the Convention there is an indication that may be used as a guidance as to what may still be regarded as a reasonable duration of temporary conditions (at maximum, around two years).

(2) *Examples for "conditions" applied in national laws to take care of the interests of "reliance parties"*

67. *Introductory remarks.* In the following paragraphs, various national solutions for the regulation of the status of "reliance parties" are outlined that may be regarded typical. It is discussed under title (3) below which of these models may be, and which of them may not be, regarded as being in accordance with Article 18(3) of the Berne Convention. The United Kingdom model described in Professor Bentley's Declaration is also covered in this title and in title (3). The provisions of the Uruguay Round Agreements Act on the status of "reliance parties" are discussed separately under title (4) below.

68. It is to be noted that *legislative models* are discussed here to deal with the problems of "reliance parties," and not necessarily those provisions that were adopted at the time of ratification of, or accession to, Berne Convention by the countries concerned. In the case of the member countries of the European Union

whose national laws are mentioned here – France, Germany, Hungary,[53] Italy, Spain and the United Kingdom – the application of the 1993 "Term Directive" of the European Communities (Council Directive 93/98 of October 29, 1993)[54] required the increase of the term of protection of certain objects of copyright and/or related rights, which in some cases led to the restoration of protection of works and/or objects of related rights that had been in the public domain. Article 10.3 of the Term Directive provided as follows: "Member States shall adopt the necessary provisions to protect in particular acquired rights of third parties." This corresponded to the concept of protecting the interests of "reliance parties."[55] (Article 18(1) to (3)

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[53] Act LXXVI of 1999, the provisions of which are analyzed was adopted before Hungary's accession to the European Union (which only took place in May 2004), but that Act already implemented the directives of the European Communities.

[54] The full official name of the "Term Directive" is this: "Council Directive 93/98/EEC of 29 October 1993 harmonizing the term of protection of copyright and certain related rights".

[55] The Directive did not provide for details, such as time limits, concerning „the necessary provisions to protect in particular acquired rights of third parties". However, one of the recitals offers a certain guidance (in the directives of the European Union, the recitals – sometimes quite numerous – offer official justification and explanation for the provisions, and they are used as an important source of interpretation by national and community judges). Recital (27) reads as follows:

"Whereas respect of acquired rights and legitimate expectations is part of the Community legal order; whereas Member States may provide in particular that in certain circumstances the copyright and related rights which are

(Continued on following page)

are applicable also in the case of this kind of extension of the term of protection, since Article 18(4) provides as follows: "The preceding provisions shall also apply in the case of new accessions to the Union and to the *cases in which protection is extended by the application of Article 7*[56] or by the abandonment of reservations." [Emphasis added.])

69. *France:* Law No. 97-283 of March 27, 1997 "Transposing into the Intellectual Property Code EEC Council Directives Nos. 93/83 of September 27, 1993 and 93/98 of October 29, 1993,"[57] as its

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revived pursuant to this Directive may not give rise to payments by persons who undertook in good faith the exploitation of the works at the time when such works lay within the public domain".

[56] From this viewpoint, it is to be noted that "the application of Article 7" means not only the application of paragraphs (1) to (5) of the Article providing for minimum terms of protection, but also of its paragraphs (6) and (8) which cover cases where a country extends the term of protection beyond the minimum terms. These paragraphs read as follows:

"(6) The countries of the Union may grant a term of protection in excess of those provided by the preceding paragraphs."

"(8) In any case, the term shall be governed by the legislation of the country where protection is claimed; however, unless the legislation of that country otherwise provides the term shall not exceed the term fixed in the country of origin of the work."

[57] Source: WIPO Collection of Laws for Electronic Access (hereinafter: WIPO CLAE); at http://www.wipo.int/clea/en/fiche.jsp?uid=fr53 (WIPO CLAE is a collection into which national laws are included either (i) as sent by the governments of the countries concerned in original language or in official or unofficial

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title indicates, implemented, *inter alia*, the Term Directive, and increased the term of protection of works other than musical works (in the case of which the term had been already 70 years) from 50 years to 70 years, and also increased the terms of certain related rights. This law contained the following provisions:

> "*Art. 16.* – I. The provisions of Title II of this Law[58] shall be applicable as from July 1, 1995. However, only those violations of the said provisions that are committed following the date of publication of this Law may give rise to criminal proceedings.
>
> "II. The application of the provisions of Title II of this Law may not have the effect of shortening the term of protection of copyright and neighboring rights that started to run prior to July 1, 1995.
>
> "III. The provisions of Title II of this Law shall not have the effect of reviving rights in works, performances, fixations or programs that passed into the public domain before July 1, 1995, unless they were still protected on that date in at least one other Member State of the European Community, in which case:

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translation; or (ii) on the basis of translation prepared by WIPO and approved by the governments concerned; or (iii) on the basis of WTO notifications of the laws by the governments concerned.)

[58] Title II provides for the extension of terms of protection.

– the owners of those rights may not invoke them against acts of exploitation lawfully engaged in prior to the date of entry into force of this Law;

– the owners of those rights may not oppose the exploitation of a work, performance, phonogram, videogram or program for one year following the date of entry into force of this Law if the exploitation thereof has been lawfully initiated prior to that date;

– the owners of those rights may not, for one year following the date of entry into force of this Law, oppose the continuation of the exploitation of a work, performance, fixation or program lawfully created prior to that date on the basis of the work, performance, fixation or program in which the said rights have started to run; at the end of that period, they may only assert their economic rights, for the determination of which, in the event of difficulty, Article L. 122-9 of the Intellectual Property Code shall be applied; failure to pay remuneration under this paragraph shall be punished with the fine provided for in Article L. 335-4 of the same Code;

– the owners of those rights may not oppose the making of an audiovisual work that has been the subject, prior to the entry into force of this Law, of an adaptation contract recorded in the Public Register of Cinematography; in the event of difficulty in the determination of the economic rights connected with the adapted work or in the payment of

remuneration, Articles L. 122-9 and L. 335-4 of the Intellectual Property Code shall be applied."

70. The following specific features of the French regulation should be noted:

- The regulation provided for real retroactive application of certain norms, with the exception of criminal proceedings (since, although the Law was adopted only on March 27, 1997, its Title II containing the norms on the extension of terms of protection became applicable from July 1, 1995).[59]

- Consequently, although, in respect of the restored protection, the owners of rights were unable to invoke their rights concerning acts of exploitation lawfully engaged in prior to the date of *entry into force* of this Law (July 1, 1995), they were in the position to invoke those rights not only concerning acts performed after the date of *adoption* of the Law (March 27, 1997), but also for acts performed before that date.

- The owners of restored rights were not able (i) to invoke their rights concerning

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[59] This was due to the fact that the Term Directive was published in 1993, and the deadline for its transposition and application was nearly two years after publication: July 1, 1995. Thus, no "reliance parties" might have alleged that he had not been prepared for the restoration of protection at that time.

acts of exploitation lawfully engaged in prior to the date of entry into force of the Law, and (ii) to oppose the exploitation of a work, performance, phonogram, videogram or program for *one year* following the date of entry into force of the Law if the exploitation thereof had been lawfully initiated prior that date (but they were able to fully enforce their rights (i) concerning acts performed after that date *within one year from the entry into force* if the exploitation had not been lawfully initiated prior that date; and (ii) *with the expiry of one year from the entry into force (which took place nearly 21 months before the adoption of the Law) concerning any acts).*

- In the case of derivative works created on the basis of previously non-protected works or objects of related rights, the owners of rights were not in the position to oppose the exploitation of such derivative works, but, after the date of entry into force of the Law, the owners of rights could exercise their "economic rights" in the sense that they had a right to reasonable remuneration.

- The owners of rights could not oppose the making of an audiovisual work that had been the subject, prior the entry into force of this Law, of an adaptation contract recorded in the Public Register of Cinematography; but they could exercise

their rights to remuneration as in the case of other derivative works.

71. *Germany.* Law of June 23, 1995, amending the Law Dealing with Copyright and Related Rights (Copyright Law) of September 9, 1965,[60] implemented the Term Directive. It entered into force on July 1, 1995. The "Transitional Provisions for the Implementation of the Directive 93/98/EEC" may be found in Article 137f of the amended Copyright Law. The provisions concerning the status of "reliance parties" are contained in paragraphs (2) and (3)[61] which read as follows:

> "(2) The provisions of this Law in the version applicable as of July 1, 1995, shall also be of application to works whose protection under this Law has expired prior to July 1, 1995, but which still subsists at such date under the law of another Member State of the European Union or of a Contracting State to the Agreement on the European Economic Area. The first sentence shall apply

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[60] Source: WIPO CLAE at http://www.wipo.int/clea/en/fiche.jsp?uid=de007.

[61] Paragraph (1) read as follows:

"Where application of this Law in the version applicable as of July 1, 1995, reduces the term of an already existing right, protection shall lapse on expiry of the term of protection in accordance with the provisions applicable up to June 30, 1995. In all other cases, the provisions of this Law concerning the term of protection are also of application in the version applicable as of July 1, 1995, to works and neighboring rights whose protection has not yet expired on July 1, 1995."

mutatis mutandis to the neighboring rights of the publisher of posthumous works (Section 71), of performers (Section 73), of the producers of audio recordings (Section 85), of broadcasting organizations (Section 87) and of film producers (Sections 94 and 95).

"(3) Where the protection for a work within the territory to which this Law applies resumes in accordance with subsection (2), the resumed rights shall belong to the author. Any act of exploitation begun prior to July 1, 1995, may be continued, however, in the agreed form. Equitable remuneration shall be paid for exploitation after July 1, 1995. The first to third sentences shall apply *mutatis mutandis* to neighboring rights."

72. The German model has the following features:

- The restoration of protection did not have any real retroactive effect. The new norms only applied from the day of entry into force (July 1, 1995) in respect of works and objects of related rights the protection of which had been restored. Since that day, all the rights provided for by the Law have belonged to the authors or other owners of rights.

- It was allowed to continue "acts of exploitation begun prior to July 1, 1995." The expression "acts of exploitation begun" referred to concrete acts of exploitation. This meant that

i. where the act of exploitation consisted in reproduction, the indispensable corollary of reproduction – that is, the distribution of copies made – was still allowed to take place, but any acts of reproduction after July 1, 1995, were already subject to the rights of the authors or other owners of rights;

ii. where the act was a public performance or communication to the public, the act of exploitation, in general, was over when the public performance or the communication was completed; any new act of public performance or communication to the public after July 1, 1995, by definition begun *after* that date (there seem to be certain cases where perhaps it was justified to interpret the term "acts of exploitation" in an extensive manner to understand as "*series* of acts of exploitation;" for example, where a series of theatrical presentations begun before July 1, 1995, which normally required investments specifically for the performance of the work with restored protection (scenery, costumes, advertising, etc.));

iii. where the act of exploitation consisted in the making of a derivative work, it seems that its continued use was allowed.

One of the best-known commentators of the German copyright law, Adolf Dietz, seems to agree with the essence of the interpretation

outlined above. He states about the possibility of continuing an "act of exploitation" after July 1, 1995, that "it may continue only for as long, and to the extent, intended when it was undertaken"[62] (to which it should be added that the "intention" could hardly mean some subjective intention, but only what followed from the nature of the act of exploitation).

- There was no specific time limit for the continuation of the acts of exploitation already begun. From the above-mentioned conditions it followed, however, that the period of time beyond which any act was subject to the authorization of the author or other owner of rights, depending on the nature of acts concerned, might be very short (much less than one year) or might last even for several years .

- However, an equitable remuneration had to be paid for any act of exploitation continued after July 1, 1995. There was no "grace period" for this.

73. *Hungary.* In Hungary, Act VII of 1994 amended the then Copyright Law (Act III. of 1969) extending the term of protection of copyright from 50 to 70 years, and the term of protection of

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[62] Adolf Dietz: "Germany", in "International Copyright Law and Practice" (General editor: P. E. Geller; original editors: M. B. Nimmer and P. E. Geller), LexisNexis, Matthew Bender, 2003 edition; p. GER-42.

related right from 20 to 50 years. However, in those cases where the 50 or 20 year term of protection of works and objects of related rights, respectively, had expired before the entry into force of the 1994 Law, protection was not restored even if the longer (70 or 50 year) term had not expired yet. The new Hungarian Copyright Act (Act LXXVI of 1999)[63] was adopted in June 1999 and entered into force on September 1, 1999; it, retrospectively restored protection also for the above-mentioned works and objects of related rights. The relevant provisions of the 1999 Law reads as follows:

> "108.(1) The provisions of Article 31 [on term of protection of works] shall, among others, apply to those works whose term of protection calculated according to the provisions previously in force had expired before the entry into force of Act VII of 1994 [. . .]
>
> (2) The rights determined by this Act shall be due to performers, the producers of sound recordings, the radio and television organizations and those transmitting by cable their own programmes to the public even if the twenty years' term – relating to them – calculated from the end of the year referred to by Article 84 [on the term of protection of related rights] had expired by the time of the entry into force of Act VII of 1994.

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[63] Source: WIPO CLAE at http://www.wipo.int/clea/en/fiche.jsp?uid=hu035.

(3) In case the term of protection relating to the authors' economic rights and the neighboring rights related to the copyright [related rights] had expired by the time of the entry into force of Act VII of 1994, the uses performed in the period between the expiration and the time of the entry into force of this Act shall be regarded as free uses, irrespective of whether these rights will again, or will not, fall under protection following the entry into force of this Act.

(4) The uses referred to in paragraph (3) will be possible to be continued – in the case of sound recordings regarding copies manufactured before the entry into force – for one year more following the entry into force of this Act, but only to the extent existing at the time of the entry into force. [. . .] An equitable remuneration shall be due to the rightholder on any use performed even after the entry into force of this Act.

(5) The provisions of paragraph (4) shall be applied appropriately also where definite preparations have been made towards the use before the date of the promulgation of this Act, on the understanding that, in this case, the use may be begun and carried on to the extent of the preparation that existed at the promulgation of this Act.

(6) The alteration, adaptation or translation performed in the period of time referred to in paragraph (3) shall be regarded as if it

had been performed with the authorization of the author.

(7) On the use after the entry into force of this Act of the alteration, adaptation or translation referred to in paragraph (6) an equitable remuneration shall be due to the rightholder who holds copyright in the work serving as a basis for the action mentioned.

(8) Any debates concerning remuneration considered as due on the basis of the provisions of paragraphs (3) and (7) shall be settled through judicial procedure [. . .]

74. The main features of the Hungarian regulation from the viewpoint of "reliance parties" are as follows:

- There was no retroactivity. The acts performed before the entry into force of the 1999 Law in respect of works for which protection had been restored remained free.
- It was allowed to continue the uses begun – or for which definitive preparations had been made – before the entry into force of the new Law, but only for one year.
- It was (and continues to be) allowed to use of derivative works made on the basis of works for which protection was restored, also after the entry into force of the new Law.

- However, for any continued use after the entry into force of the new Law (including the use of derivative works made on the basis of works for which protection had been restored), an equitable remuneration had to be paid, and for this obligation there was no "grace period".

75. *Italy: the Butterfly v CEDEM* [sic] *case.* The Italian regulation concerning extension of terms is quite complex. It would not be possible to analyze all the aspects of the relevant provisions in this report. There is, however, one typical aspect, which should be mentioned, since it was the object of a case in which the European Court of Justice had to rule whether the Italian law was in accordance with the requirements of Article 10.3 of the Terms Directive of the European Communities, which, in the case of restored protection, obligated Member States to adopt "the necessary provisions to protect in particular acquired rights of third parties" (that is, "reliance parties").

76. In February 1998, the Tribunale Civile e Penale (Civil and Criminal District Court), Milan, referred to the European Court of Justice for ruling a question on the interpretation of Article 10 of The Terms Directive. The question was raised in the proceedings between Butterfly Music Srl ("Butterfly") and Carosello Edizioni Musicali e Discografiche Srl ("CEMED"), supported by the Federazione Industria Musicale Italiana, concerning the right to reproduce and distribute recordings which, after entering the public domain under the legislation previously in force, had

again become protected as a result of the provisions transposing the Term Directive into national law.

77. Butterfly, which was engaged in the production and distribution of music media, produced in November 1992, with the agreement of CEMED, a phonogram producer which held the rights over the original recordings, and with authorization from the Society Italiana Autori e Editori (the Italian society of authors), a compact disc (CD) containing 16 songs interpreted by the singer Mina, which had been recorded in the period from 1958 to 1962. Those recordings entered the public domain at the end of 1992, but subsequently, in accordance with the Term Directive, a series of Decree-Laws promulgated in 1994 and 1995 and Law No 52 of 6 February 1996 increased the term of protection for the rights of producers of phonograms and performers from 30 to 50 years. The new legislation provided that, in the case of phonograms the protection of which had been restored, it was only allowed to distribute the copies (phonorecords) made before the entry into force of the Law restoring protection until the expiry of three months from the entry into force of the Law. At the end of 1995 and at the beginning of 1996, CEMED, relying on the revival of its rights which resulted from the term of protection laid down by the Directive, sent Butterfly a letter of formal notice calling on it to cease the reproduction and distribution of the CD. Butterfly then brought an action, in May 1996, before the Tribunale Civile e Penal; Milan, for a

declaration that it was entitled to reproduce the recordings on the CD.

78. The national court asked the European Court of Justice whether Article 10(3) of the Directive precluded a provision of national law such as the provision which, in Law No 52/96, as amended by Law No 650 of December 23, 1996, laid down a limited period (three months) in which sound-recording media might be distributed by persons who, by reason of the expiry of the rights relating to those media under the previous legislation, reproduced and distributed them before that Law entered into force.

79. The European Court of Justice had the following considerations (emphasis added to certain sentences):

> "As the national court has observed, it is clear from Article 10(2) of the Directive that application of the terms of protection laid down by the Directive may have the effect, in the Member States which had a shorter term of protection under their legislation, of protecting afresh works or subject-matter which had entered the public domain. [. . .]
>
> "However, Article 10(3) makes it clear that the Directive is without prejudice to any acts of exploitation performed before the date laid down for its implementation, that is to say 1 July 1995 at the latest, and that the Member States are to lay down the necessary provisions to protect in particular acquired rights of third parties. [. . .]

"Reading these various provisions together, it is apparent that the Directive did provide for the possibility that copyright and related rights which had expired under the applicable legislation before the date of its implementation could be revived, without prejudice to acts of exploitation performed before that date, while leaving it to the Member States to adopt measures to protect acquired rights of third parties. In view of the wording of those provisions, *such measures must be regarded as measures which the Member States are obliged to adopt, but whose detail is left to the discretion of the Member States, provided, however, that they do not have the overall effect of preventing the application of the new terms of protection on the date laid down by the Directive.*

"As the Advocate General has stated in point 25 of his Opinion, that solution is, moreover, consistent with the principle that amending legislation applies, unless otherwise provided, to the future consequences of situations which arose under *the* previous legislation (see, in particular, Case 68/69 *Bundeskttappschaft* v *Brock* [1970] ECR 171, paragraph 6, and Case 270/84 *Licata* v *Economic and Social Committee* [1986] ECR 2305, paragraph 31). *Since the revival of copyright and related rights has no effect on acts of exploitation definitively performed by a third party before the date on which revival occurred, it cannot be considered to have retroactive effect. Its application to the future consequences of situations which are not*

definitively settled means, on the other hand, that it has an effect on a third party's rights to continue the exploitation of a sound recording where the copies already manufactured have not yet been marketed and sold on that date.

"Furthermore, while the principle of the protection of legitimate expectations is one of the fundamental principles of the Community, it is settled case-law that this principle cannot be extended to the point of generally preventing new rules from applying to the future consequences of situations which arose under the earlier rules (see, in particular, Case 278/84 *Germany* v *Commission* [1987] ECR 1, paragraph 36, Case 203/86 *Spain* v *Council* [1988] ECR 4563, paragraph 19, and Case C-221/88 *European Coal and Steel Community* v *Busseni* [1990] ECR 1-495, paragraph 35).

"In view of those considerations, national legislation, such as Law No 52/96, as amended, which permits persons, who were reproducing and marketing sound-recording media in respect of which the rights of use had expired under the previous legislation, to distribute those media for a limited period from its entry into force, meets the requirements of the Directive."[4]

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[4] Judgement of the Court of June 1999 in Case C-60/98, at the official web-site of the European Court of Justice; http://

(Continued on following page)

80. The Court ruled as follows:

> "Article 10(3) of Council Directive 93/98/EEC of 29 October 1993 harmonising the term of protection of copyright and certain related rights does not preclude a provision of national law such as the provision which, in Italian Law No 52 of 6 February 1996, as amended by Italian Law No 650 of 23 December 1996, lays down a limited period in which sound-recording media may be distributed by persons who, by reason of the expiry of the rights relating to those media under the previous legislation, had been able to reproduce and market them before that Law entered into force."[65]

81. The following points seem to deserve being underlined in connection with the special Italian solution and the ruling of the European Court of Justice:

- There was no real retroactive effect of the restoration of protection for phonograms.
- It was free to distribute copies of phonograms made before the entry into force of the Law restoring protection only for three months after the entry into force of the Law (and, with the expiry of the three months, the restored protection

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curia.eu.int/jurisp/cgi-bin/gettext.pl?lang=en&num=800097370C199980060&doc.

[65] Ibid.

prevailed without any further transitional limitation).

- The European Court of Justice found that this was in accordance with Article 10.3 of the Term Directive obligating the Member States of the European Communities to "adopt the necessary provisions to protect [. . .] acquired rights of third parties" in case of restoration of protection.

82. *Spain.* "Law No. 27 of October 11, 1995, on the Incorporation in Spanish Law of Council Directive (EEC) No. 93/98 of October 29, 1993, Harmonizing the Term of Protection of Copyright and Certain Related Rights,"[66] as its title indicates, implemented the Term Directive. The Law was published on October 13, 1995, and entered into force the day after; that is, on October 14, 1995. The provisions relevant from the viewpoint of "reliance parties" were found in paragraphs (2) and (3)[67] of the "Second Additional Provision" bearing the title of "Provisions on Special Situations." They read as follows:

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[66] Source: WI PO CLAE at http://www.wipo.intklea/en/fichejsp?uid=es024.

[67] Paragraph (1) read as follows:

"Where, under the provisions of paragraph (2) of the First Transitional Provision of Law No. 22 of November 11, 1987, on Intellectual Property, the term of protection provided for therein is still running, the provisions of this Law shall not have the effect of restricting it."

"(2) The terms of protection provided for in this Law shall apply to all works and performances that are protected in Spain, or at least in a Member State of the European Union, on July 1, 1995, by virtue of the corresponding national provisions on copyright or related rights, or those that fulfill the criteria for the grant of protection under Law No. 43 of December 30, 1994, on the Incorporation in Spanish Law of Council Directive (EEC) No. 92/100 of November 19, 1992, on Rental Right and Lending Right and on Certain Rights Related to Copyright in the Field of Intellectual Property.

"(3) This Law shall not affect any act of exploitation engaged in prior to July 1, 1995. Copyright and related rights that come into being under this Law shall not give rise to payment on the part of persons who in good faith have undertaken the exploitation of the works concerned while those works were in the public domain."

83. Two features of the Spanish regulation should be underlined:

- It was similar to the French regulation in that it had real retroactive effect, since although the Law was adopted only on October 11, 1995, and entered into force on October 14, 1995, its norms on the extension of terms of protection became applicable from July 1, 1995. The period of time for which the retroactive effect applied, however, was much

shorter than in France: only about 3,5 months rather than nearly 21 months.

- The only provision to take care of the interests of "reliance parties" was the one which provided that there was no obligation to pay remuneration for acts of exploitation performed before the date of entry into force of the restoration of protection (which, however, took place nearly 3,5 month before the entry into force of the Law providing for restoration).

84. *United Kingdom (Australia, New Zealand).* Professor Bently describes the United Kingom [sic] approach in his Declaration. Thus, here it seems sufficient to quote Article 7(2) of the Copyright (Application to Other Countries) Order 1999:

> "Where in any such case a person incurs or has incurred any expenditure or liability in connection with, for the purpose of or with a view to doing of an act which at the time in [sic] not or was not an act restricted by any copyright in the work, the doing, or continued doing, of that act after copyright subsequently subsists in the work by virtue of article 2(1), 3, 4(1) or 4(5) above shall not be an act restricted by the copyright unless the owner of the copyright or his exclusive licensee (if any) pays such compensation as, failing agreement, may be determined by arbitration."

As Professor Bently also describes, Australia and New Zealand have followed the same approach

in their legislation concerning the status of "reliance parties".

85. The specific features of the United Kingdom approach are as follows:

- For any uses by "reliance parties" as defined in the relevant norms, not only there is no retroactive effect, but, unless the owner of rights "buys back" his rights, no effect whatsoever of the application of the restored protection (and thus the Berne Convention). There is no deadline after which the "reliance parties" could not continue using the works concerned, unless the owners of rights "buy back" their rights.

- The owners of rights may, however, "buy back" their rights immediately after the entry into force of the law restoring copyright; and thus, there is no "grace period" during which, even if they wanted, they could stop the use of the works concerned by reliance parties.

86. *Russian Federation (Ukraine, Republic of Moldova).* When, in March 1995, the Russian Federation acceded to the Berne Convention, it made a declaration stating that the "effect of the Berne Convention . . . is not extended to works that, on the date of the entry into force of this Convention for the RF, had already become part

of the public domain on its territory."[68] When Ukraine and the Republic of Moldova, in October and November 1995, respectively, also acceded to the Berne Convention, they made declarations, in different wording, but to the same effect. Ukraine: "According to Article 18(3) of the said Convention as so revised, the Ministry of Foreign Affairs of Ukraine declares that the above-mentioned Convention will not apply to literary and artistic works which on the date of entering into force by this Convention for Ukraine are already public domain on its territory."[69] Republic of Moldova: "The provisions of the present Convention do not apply to the works which were public property on the territory of the Republic of Moldova by December 31, 1994."[70]

87. The Russian Federation and the other ex-Soviet republics following its example

- did not revive any copyright that, for any reason, was in the public domain in their respective territories (that is, also in the case of works the country of origin

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[68] This corresponded to point 2 of the Decree of the RF Government "On the Accession of the RF to the Berne Convention On the Protection of Literary and Artistic Works in the edition of 1971, the Universal Convention on Copyright in the edition of 1971 and Additional Protocols 1 and 2, and the 1971 Convention for the Protection of Producers of Phonograms Against Unauthorized Duplication of Their Phonograms", dated 3 November 1994.

[69] WIPO Berne notification No. 169.

[70] WIPO Berne notification No. 170.

of which was a country with which – until the entry into force of the Convention – these acceding countries had not had any treaty relationship, and thus those works had never been protected) even where the minimum term of protection – in general 50 years – had not elapsed by the time of their accession; and, therefore,

- did not have to settle the legal status of "reliance parties" (since only those works were protected in the above-mentioned case which were created after the entry into force of the Convention in the relationship of these countries and the countries party to the Berne Convention with which previously they had not had any treaty relationship in the field of copyright).

(3) Evaluation of the examples of national norms concerning the status of "reliance parties"

88. The brief review of national norms above indicates that there are significant differences among the "conditions" of application of the "principle" under Article 18(1) and (2) of the Berne Convention. As discussed above, the latitude offered by Article 18(3) makes this possible.

89. There are countries (see France and Spain) where, in a way, there was even real retroactive effect of restored protection when the Term Directive was implemented (in the sense that restored rights prevailed even for a certain period

of time before the entry into force of the new regulation). This was due to the special situation discussed above resulting from the long period of time elapsed between the publication of the Directive and the deadline for its transposition, during which it was already known when its provisions would become applicable. Therefore, the users of works had been informed in due time about the changing conditions. In the majority of countries whose legislation was reviewed (and, in other aspects, even in the said two countries), however, there was no real retroactivity when protection was restored (in the sense that acts carried out before the restoration of protection were not qualified retroactively as infringing acts).

90. Among the examples referred to above, there was one national law (that of Spain) which, in addition to the provisions concerning acts performed before the entry into force of the restoration of protection, did not contain any transitional arrangements; all provisions of the law was applicable immediately without any limitation to take care of the interests of "reliance parties."

91. In several countries, all the "conditions" applied in favor of "reliance parties," or at least the majority of them, were clearly of a transitional nature. Their application either expired after a precisely fixed "grace period" – one year (France, Hungary) or even as brief as three months (Italy) – or, where no exact grace period was fixed (Germany), the transitional nature followed from the fact that only the completion of acts

already begun was allowed (this, depending on the nature of the act and right involved meant a shorter or longer grace period). In two cases (France and Italy), during the shorter (Italy: three months) or longer (France: one year) "grace period," the "reliance party" did not have to pay any remuneration. In two other cases, the "reliance parties" had to pay equitable remuneration already during the fix-term (Hungary: one year) or functionally determined (Germany) "grace period." In one country (Spain), the immediate application of the restored rights meant, of course, that, in the case of restored exclusive rights, it was not sufficient to pay remuneration; from the very beginning, the authorization of the owners of rights was needed.

92. Special norms were adopted in certain countries concerning the continued use of derivative works created by "reliance parties." In one country (France), the continued use of derivative works was free for one year, but after the expiry of that period, the "reliance party" had to pay equitable remuneration in recognition of the restored rights. In two another country (Germany, Hungary), the continued use of such derivative works was allowed but the "reliance party" had to pay an equitable remuneration from the moment of the entry into force of the restored protection.

93. The national laws so far mentioned (those of France, Germany, Hungary, Italy, Spain) were in accordance with Article 18, and in particular Article 18(3), of the Berne Convention, since, although they had made use of the latitude

allowed by that Article, they had respected the limits of that latitude following from an appropriate interpretation of the Convention (based on Articles 31 and 32 of the Vienna Convention according to the higher scrutiny standards applied in the WTO/TRIPS system). This was so since they guaranteed the application of the provisions implementing the Berne Convention in favor of the owners of rights (that is, they corresponded to the "principle" under Article 18(1) and (2) that, "This Convention shall apply"). The "conditions" applied were in accordance with Article 18(3) in the sense that (i) they were, in general, of a transitional nature, with the only real exception of the continued use of derivative works in certain countries (where the longer-term use was justified in the eyes of the legislators of those countries by the fact that the "reliance parties" not only had used the works concerned, but on the basis of those works had also created new works); and (ii) they guaranteed the application of the restored rights, at least, in the form of an equitable remuneration to be paid by the "reliance parties" to the owners of rights (in certain cases, immediately from the moment of the entry into force of the new regulation, already during the "grace period").

94. In contrast, the United Kingdom model does not seem to have a good chance to pass the greater scrutiny in the WTO/TRIPS system due to the Vienna-Convention-based strict interpretation technique of WTO dispute settlement panels.

95. This is so, since the U.K. model goes beyond the latitude allowed by Article 18(3) of the Convention, at least, in two respects: First, it does not apply the "principle" laid down in Article 18(1) and (2), according to which, in the case of restored protection, the Convention – all the provisions of the Convention – must be applied ("This Convention shall apply"), in spite of some transitional limitations that might be imposed. Under the U.K. model, the Convention is not duly applied, since, while the Convention provides for certain rights of authors and other owners of rights – as a minimum, in the form of an equitable remuneration – the U.K. model does not grant those rights to the authors and other owners of rights under the Convention, but to the "reliance parties," and the only right that owners of rights "enjoy" under that model is to buy the rights from the "reliance parties." Not granting rights to authors and owners of rights that they are supposed to enjoy under the Convention, but to grant the same rights to users of those rights may hardly be regarded as a due application of the Convention. Second, the "conditions" applied under U.K. model are not of a transitional nature; unless the authors or other owners of rights invest into buying the rights that, under the Convention they are supposed to enjoy, those rights may remain with "reliance parties" until the expiry of the term of protection.

96. It goes without saying that the "model" "invented" by the Russian Federation was in a clear conflict with Article 18 of the Berne Convention, since it completely disregarded the provisions of

Article 18(1) and (2). This was so since it did not restore the protection of works that, at the moment of the entry into force of the Convention, had not yet fallen into the public domain in the country if origin through the expiry of protection (Article 18(1)), and in the case of which there had been no protection in the Russian Federation due to the absence of treaty relations (and, thus, there had been no term of protection that could have expired (Article 18(2)). This example has been mentioned rather to show that in the pre-TRIPS times, the Berne Convention was not interpreted and implemented with due scrutiny, and that there was no true consequences of disregarding this or that provision of the Convention.

97. It is to be noted that, during the preparation and negotiation process of the accession of these ex-Soviet republics to the WTO, it is becoming obvious that these kinds of provisions would fail the higher – or, it may be said simply: the more serious – scrutiny in the WTO/TRIPS context. For example, the Russian Federation has already eliminated the above-mentioned conflict with the Berne Convention and, consequently, also with the TRIPS Agreement. The 1993 Law of the Russian Federation on Copyright and Neighboring [=Related] Rights was amended by the Law of June 15, 2004, by which a new Article 5.4 was inserted into the Law. It reads as follows:

> "4. Protection shall be granted to a work pursuant to the international treaties of the Russian Federation if the work has not fallen

> into the public domain within its country of origin due to the expiry of the term of protection of copyright prescribed in that country, and it has not fallen into the public domain within the Russian Federation due to the expiry of the term of protection under this Law [. . .]."

Furthermore, Article 3. of the amending law also provided as follows:

> "3. The terms of protection foreseen in this federal law shall apply in all cases where the fifty-year term of protection of copyright has not expired yet on the day of entry into force of this federal law."

It is interesting to note that the new Russian law does not include any provisions concerning the status of "reliance parties".

G. Reasonable implementation of the principles of Article 18 of the Berne Convention in the Uruguay Round Agreement Act

98. It seems unnecessary to describe in this report in detail the provisions of Section 104A of the US Copyright Act inserted by the Uruguay Round Agreement Act (U.R.A.A.) concerning the status of reliance parties. They are well known for everybody participating in the present dispute. I only sum up below what seem to be the basic features of these provisions:

- There was no real retroactive effect of the restored protection, since no acts carried out before the entry into force of

the U.R.A.A. was regarded as infringements of the restored rights.

- The restored rights were not (and are not) applied automatically after the entry into force of the U.R.A.A. in respect of a reliance party. A reliance party may continue using the restored work freely, unless a notice of intent to enforce restored rights is filed with the Copyright Office during the 24-month period beginning on the date of restoration, or served at any time directly on a given reliance party. However, the restored rights may only be enforced (i) in respect of acts performed after the end of a 12-month period beginning on the date of publication of the notice in the Federal Register or beginning on the date when the notice is received by the reliance party, respectively; and (ii) in respect or [sic] phonorecords made after publication of the notice of intent or its reception by the reliance party, respectively.

- For restricted acts performed by reliance parties that are not covered by the above-mentioned notices, as well as during the 12-month grace period after the publication or reception of the notice, the reliance parties did not (and do not) even have to pay any remuneration.

- Any reliance party can continue to exploit the derivative work created by him until the expiry of the term of protection,

provided that he pays a reasonable compensation for conduct which otherwise would be subject to a remedy for infringement.

99. The above-mentioned provisions of Section 104A are compatible with Article 18, and in particular with Article 18(3). They have used extensively, but have not gone beyond the limits of the latitude allowed by Article 18(8). This is so, first, since these provisions, in spite of the generous treatment of "reliance parties," still guaranteed the application of the Berne Convention (that is, they corresponded to the essence of the above-mentioned "principle" according to which, "this Convention shall [must] apply," and they granted owners of rights all the rights they were supposed to enjoy under the Convention). This is so, second, because the conditions applied to the "principle" were (and are) of a temporary nature (even if, in certain cases, their impact might be relatively longer, these provisions still guarantee that, if an owner of rights truly wishes to exercise his rights, he may do so, in general, not much later than after the expiry of 12 months). The reliance parties, as also under several European laws, may continue to exploit the derivative works created by them (due to the fact that they are not only users but also creators of such works), but the corresponding provisions of the Convention, and of the Copyright Act, are respected and applied by guaranteeing a reasonable compensation.

100. Section 104A includes, at least, as generous norms for reliance parties as – and in certain

aspects, even more generous ones than – the corresponding provisions of the majority of the member countries of the European Union.

101. In comparison with the United Kingdom model, the U.S. legislation, in certain aspects seems more generous from the viewpoint of "reliance parties". Such an aspect is that, under Section 104A of the U.S. Copyright Act, the reliance parties do have a grace period (at least 12 month) where they still can use the restored works without any obligation and without any possibility for the owners of rights to limit their freedom, while under the U.K. model, the owners of rights can "buy back" the right to use the works immediately after the restoration of protection. From the viewpoint of freedom of speech, the U.S. law is also more advantageous for the reliance parties, since by virtue of Section 104A, a reliance party can continue exploiting a derivative work based on a restored work until the expiry of its term of protection; the owner of rights cannot prohibit it; he may only obtain reasonable compensation; while under the U.K. model, the owner of right can, at any moment from the entry into force of the restored rights, put an end of the use and exploitation of the derivative work by the "reliance party" through "buying back" the rights in it.

102. Certain other aspects of the U.K model may be characterized as more generous from the viewpoint of "reliance parties;" such as (i) that the rights to use the restored works are granted to them, and those who, in principle, are supposed to be the owners of rights under the Berne

Convention only have an "option" to buy them, and (ii) that this situation, unless the owners of rights invest into "buying back" the rights, may last until the expiry of the term of protection (that is, it is not of a transitional nature).

103. The more generous and less generous aspects of the two models may be regarded not to be far from counter-balancing each other. What is very important, however, to see in comparing the two models, is that what may be regarded as more generous aspects of the U.K. legislation are exactly those about the compatibility of which with Article 18 of the Berne Convention serious doubts could emerge if they were subject to greater scrutiny under the WTO/TRIPS system based on the application of Articles 31 and 32 of the Vienna Convention.

I am compensated for this report at my usual rate of 350 U.S dollars/per hour; plus expenses.

Pursuant 28 U.S.C., § 1746, I declare under penalty of perjury under the laws of the United States that the foregoing is true and correct.

Dated this 15 day of February, 2005, at Budapest, Hungary

/s/ Dr. Mihály Ficsor
Dr. Mihály Ficsor

A

CURRICULUM VITAE

Dr. Mihàly Ficsor

Dr. Mihály Ficsor is a national of Hungary (born in 1938 in Heves, Hungary). From 1966 to 1968, he was Judge at the Central District Court of Budapest, and, from 1969 to 1975, he was Section Head at the Codification Department in the Hungarian Ministry of Justice. In 1975, Dr. Ficsor became Deputy Director General, and, in 1977, Director General of the Hungarian Bureau for the Protection of Authors' Rights. In the latter capacity, he served until May 1985.

Between 1985 and 1992, Dr. Ficsor was the Head and then the Director of the Copyright Law Division in the World Intellectual Property Organization (WIPO) in Geneva. In March 1992, he was promoted to the rank of Director of the Copyright Department, and, in October 1993, to the rank of Assistant Director General of WIPO, a position in which he worked until the end of 1998, when he retired.

In WIPO, he was responsible for a great number of important projects, mainly in the field of copyright and related rights. *Inter alia*, he is recognized as having played a decisive role in the preparation, negotiation and adoption of the so-called "Internet treaties": the WIPO Copyright Treaty (WCT) and the WIPO Performances and Phonograms Treaty (WPPT).

At present, Dr. Ficsor is President of the Hungarian Copyright Experts Council (a 200 member advisory

and arbitration body appointed by the Minister of Justice and linked to the Patent Office), Chairman of the Hungarian Copyright Forum (the national ALAI group), and Chairman of the Central and Eastern European Copyright Alliance (CEECA; a regional non-governmental organization of academic orientation having permanent observer status at WIPO).

Dr. Ficsor holds a doctor's degree in law and political sciences from the Law Faculty of the Eötvös Lóránd University of Budapest. He has written numerous articles and books on various copyright issues, particularly on the collective management of copyright and related rights and on the impact of new technologies (especially digital technology and the Internet) on copyright, and participates in a number of seminars, symposiums, workshops as a speaker throughout the world. His three most recent books are as follows:

- "The Law of Copyright and the Internet – The 1996 WIPO Treaties, their Interpretation and Implementation", Oxford University Press, 2002.
- "Collective Management of Copyright and Related Rights", WIPO publication, 2003.
- "Guide to the Copyright and related Rights Treaties Administered by WIPO and Glossary of Copyright and Related Rights Terms", 2004.

He speaks English, French, Hungarian, Russian and Spanish.

B

WORLD INTELLECTUAL PROPERTY ORGANIZATION

ORGANISATION MONDIALE DE LA PROPRIÉTÉ INTELLECTUELLE

世界知识产权组织

المنظمة العالمية للملكية الفكرية

ORGANIZACION MUNDIAL DE LA PROPIEDAD INTELECTUAL

ВСЕМИРНАЯ ОРГАНИЗАЦИЯ ИНТЕЛЛЕКТУАЛЬНОЙ СОБСТВЕННОСТИ

[LOGO]

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October 10, 1995

Dear Bruce,

I have received your letter of September 7, 1995, in which you, on behalf of the Government of the United States of America, have asked the International Bureau of WIPO to provide its informal views on the manner Article 18 of the Berne Convention is to be implemented. The International Bureau has pleasure to be at your disposal in expressing its views on this issue, on the understanding – also stressed by you at the beginning of your letter – that the views expressed should not be considered an official interpretation of the Convention (such being a matter for each country party to the Convention).

The views of the International Bureau are presented in the structure proposed by you; namely, first

a general – but fairly detailed – statement is made as to how Article 18 is to be implemented (part I), and then we deal with the three specific areas indicated in your letter (part II). The paragraphs of the general statement are numbered so that when dealing with the said three specific areas, it may be easier to refer to certain elements of the general statement.

Mr. Bruce Lehman
Assistant Secretary of Commerce and
Commissioner of Patents and Trademarks
Patent and Trademark Office
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Mr. Bruce Lehman, Assistant Secretary of Commerce and Commissioner of Patents and Trademarks, United States Department of Commerce, Washington, D.C. – October 10, 1995

I.

(1) The basic rules concerning the obligation to apply retroactive protection under the Berne Convention

are included in paragraphs (1) and (2) of Article 18 of the Convention which read as follows:

> "(1) This Convention shall apply to all works which, at the moment of its coming into force, have not yet fallen into the public domain in the country of origin through the expiry of the term of protection.
>
> (2) If, however, through, the expiry of the term of protection which was previously granted, a work has fallen into the public domain of the country where protection is claimed, that work shall not be protected anew."

(2) Let us take the basic elements of these provisions.

(3) The first element reads as follows: "*This Convention shall apply . . .* " These words mean clearly that it is a right and an obligation of a country adhering to the Convention to apply *all* provisions of the Convention, with the exceptions explicitly permitted by the Convention.

(4) The latter statement should be interpreted in harmony with Articles 30(1) and 36.

(5) Article 30(1) provides as follows: "Subject to the exceptions permitted by paragraph (2) of this Article, by Article 28(1)(a)(b), by Article 33(2), and by the Appendix, ratification or accession shall automatically entail acceptance of all the provisions and admission to all the advantages of this Convention." This provision is also clear. A country adhering to the Convention

is not free to apply or not to apply certain provisions of the Convention; the possible exceptions are provided in an exhaustive and precisely determined manner. In other words, no "reservation," "declaration" or other statement with the effect to exclude or limit the application of certain provisions of the Convention is valid if it goes beyond the said exceptions. (The said exceptions are as follows. Article 30(2)(a): a country party to a previous act of the Convention, when adhering to the 1971 Paris Act, may retain the benefit of the reservations it had previously formulated (as allowed under the previous acts); Article 30(2)(b): a newly adhering country, instead of applying Article 8 (on the right of translation), may apply the so-called ten-year rule allowed under the 1886 Paris Act of the Convention; Article 28(1)(b): a country party to a previous act of the Convention, when adhering to the 1971 Paris Act, may not apply Articles 1 to 21 of the 1971 Paris Act (but only its Articles 22 to 38); Article 33(2): any country, when ratifying or acceding to the Convention, may exclude the application of Article 33(1) on the jurisdiction of the International Court of Justice; and the Appendix: a developing country, in the cases and under the conditions indicated there, may substitute for the exclusive right of translation provided for in Article 8, and for the exclusive right of reproduction provided for in Article 9, a system of non-exclusive and non-transferable compulsory licenses).

(6) Article 36 provides as follows: "(1) Any country party to this Convention undertakes to adopt, in accordance with its constitution, the measures necessary

to ensure the application of this Convention. (2) It is understood that, at the time a country becomes bound by this Convention, it will be in the position under its domestic law to give effect to the provisions of this Convention." These provisions clarify that the expression, in Article 30(1), "ratification or accession entail acceptance of all the provisions" means not only a general "acceptance," but concrete obligations "to apply the measures necessary to ensure the application" and "to give effect to the provisions of this Convention"; furthermore, not some time after the entry into force of the Convention, but "at the time a country becomes bound by this Convention," that is, on the day of the entry into force of the Convention for the country.

(7) The second element of the provisions included in paragraphs (1) and (2) of Article 18 reads as follows: "*to all works which at the moment of its coming into force, have not yet fallen into the public domain in the country of origin through the expiry of the term of protection.*" First, it should be noted that the phrase starts with the words "to all works." This means that, unless the limitations that follow are not applicable to a given work, it is an obligation to apply all the provisions of the Convention in respect of that work, with the exceptions explicitly permitted by the Convention as mentioned above, which in turn means that it is an obligation to also apply Article 7 of the Convention concerning the term of protection; that is, the starting position is that all the works in respect of which the term of protection has not expired yet, on the day of the entry into force of the Convention for the country

concerned must be protected until the term provided in Article 7 expires. This is what is referred to as the retroactive application of the Convention (which, however, means "retroactivity" only in the sense that the Convention does not only apply to works that are created or published after the entry into force of the Convention but also to works already existing, and not in the sense that acts carried out in respect of such works before the entry into force would be relevant).

(8) The first limitation to the obligation to apply such retroactive protection is established by the provision quoted in the preceding paragraph in taking account of the status of the work *in the country of origin* of the work (the country which is determined by Article 5(4)): It is not an obligation to apply the Convention to those works which, at the moment of the coming into force of the Convention, have fallen into the public domain in the country of origin through the expiry of the term of protection. It should be underlined that the exception to the obligation to grant retroactive protection does not extend to those works which in the country of origin fell into the public domain before the entry into force of the Convention for a reason other than the expiry of the term of protection (for example, because a formality, such as registration, had not been met). For such works, the Convention must be applied even if, at the moment of the entry into force of the Convention, they were in the public domain in the country of origin due to the said other reason (but their hypothetical term of protection has not expired yet).

(9) The third element of the provisions included in paragraphs (1) and (2) of Article 18 reads as follows: "*If, however, through the expiry of the term of protection which was previously granted, a work has fallen into the public domain of the country where protection is claimed, that work shall not be protected anew.*" This further limitation of the obligation to grant retroactive protection relates to the status of the work *in the country where protection is claimed*, and it is only applicable if three conjunctive conditions are present: first, the work concerned was previously protected in the country where protection is claimed; second, it has, however, fallen into the public domain; and, third, the reason for its falling into the public domain was the expiry of the term of protection previously granted. Two aspects should be stressed in this respect: First, if the work was *not* protected previously, this limitation is *not* applicable. There are two possible reasons for such absence of protection: either there was no protection at all for literary and artistic works, in general, or for the category of works concerned, in particular, in the country where protection is claimed (which is a relatively rare case), or there was protection for literary and artistic works, in general, and also for the category of works, in particular, for domestic-origin works, but, due to the absence of a treaty relationship between the country where protection is claimed and the country of origin of the work concerned – which would have obliged the country where now protection is claimed to protect that work – the work was never protected (a quite frequent case which always emerges if a country newly adheres to

the Convention and there was no previous treaty relationship between that country and the other countries party to the Convention, in the field of copyright). The second aspect to be stressed is that, even in those cases where a work was protected in the country where protection is claimed, but where it fell into the public domain before the entry into force of the Convention, the limitation of the obligation to grant retroactive protection is *not* applicable, if the work fell into the public domain for a reason other than the expiry of the term of protection (for example, because a formality, such as registration, had not been met).

(10) As indicated above, paragraphs (1) and (2) of Article 18 contain clear provisions, and no doubts may emerge as to their meaning. Nevertheless, it is worthwhile quoting the relevant part of the Report of the 1908 Berlin diplomatic conference for revision of the Convention, since it clarifies the relationship of Article 18 with certain other provisions of the Convention and through this, it confirms that no other meaning may be reasonably deduced from paragraphs (1) and (2) of Article 18 than the one outlined above.

(11) Before quoting the said part of the Report, we should stress that the text of paragraphs (1) and (2) of Article 18 as included in the 1971 Paris Act of the Convention was already established in the 1908 Berlin Act and since then those paragraphs have not been changed. Thus, the explanation included in the Report should be considered valid also in respect of the 1971 Paris Act.

(12) The relevant part of the Report of the 1908 Berlin diplomatic conference reads as follows:

> "The general rule remains the same: it is appropriate to take account of the new principle laid down in Article 4, paragraph 2, of the draft, under which protection may be claimed in a country for a work which is not or which is no longer protected in the country of origin, barring a reservation in respect of the duration (Article 7, paragraph 2). Thus, account no longer has to be taken of the fact that a work has fallen into the public domain in the country of origin, for example, due to the failure to complete certain conditions or formalities; this will not prevent the benefit of the Convention being invoked for it in the other countries where it would be legally protected. But of course, this would no longer be applicable if the work had fallen into the public domain in the country of origin due to the expiration of the general term of protection, because in that case, it would be necessary to keep to Article 7, paragraph 2." (See "The Berne Convention for the Protection of Literary and Artistic Works from 1886 to 1986," WIPO publication, 1986 (hereafter referred to as the "B Book"), page 158.)

(13) The "new principle laid down in Article 4, paragraph 2" mentioned above is the principle of "independence of protection," which, in the 1971 Paris Acts included in Article 5(2) in the same way as it was included in the draft and the finally adopted text of Article 4, paragraph 2, of the 1908 Berlin Act. This

provision, after providing that the enjoyment and exercise of rights must not be subject to any formality, continues as follows: "such enjoyment and such exercise shall be independent of the existence of protection in the country of origin of the work. Consequently, apart from the provisions of this Convention, the extent of protection, as well as the means of redress afforded to the author to protect his rights, shall be governed exclusively by the laws of the country where protection is claimed."

(14) The other provision to which the above-quoted part of the Report refers, that is Article 7, paragraph 2, of the draft of the 1908 Berlin Act (which was adopted without any change) includes, *inter alia*, the principle of "comparison of terms." It reads as follows: "However, in case such term of protection should not be uniformly adopted by all the countries of the Union, the term shall be governed by the legislation of the country where protection is claimed, and *must not exceed the term fixed in the country of origin of the work*" (emphasis added). It is the latter phrase which contains the principle of "comparison of terms." The first part of the sentence provides for the freedom of the countries party to the 1908 Berlin Act that – notwithstanding the first paragraph of the Article according to which "[t]he term of protection granted by this Convention shall be the life of the author and 50 years after the death" – they may apply a shorter term. This freedom was then confirmed by the second sentence of second paragraph which stated that "[c]onsequently the contracting countries shall only be bound to apply

the provisions of the preceding paragraph in so far as such provisions are consistent with their national legislation." The 50-year term of protection, as a general rule, was made obligatory in the 1948 Brussels Act of the Convention, and, consequently, in that Act, a new provision (Article 7(2)) which included the principle of comparison of terms, only referred to the possibility of granting a term of protection *in excess* of that provided in paragraph (1) (that is, 50 years *p.m.a.*). The relevant provisions found their final form in the 1967 Stockholm Act (later taken over without change into the 1971 Paris Act). Concerning the obligatory nature of the general 50-year term of protection, the Stockholm Act and the Paris Act took a small step back. Article 7(6) refers again to the faculty of granting a term of protection in excess of those provided by the preceding paragraph; Article 7(7), however, provides again also for the possibility of a shorter term, although only in the case of those countries which previously were party to the 1928 Rome Act (or the 1908 Berlin Act) and wish to maintain the shorter term provided for in their national laws when adhering to the 1971 Paris Act. Consequently, the principle of comparison of terms was reworded again in Article 7(8). Now it reads as follows: "In any case, the term shall be governed by the legislation of the country where protection is claimed; however, unless the legislation of that country otherwise provides, the term shall not exceed the term fixed in the country of origin."

(15) When the above-quoted part of the Report of the 1908 Berlin diplomatic conference, in explaining

the newly adopted provisions of Article 18, refers to Article 4, paragraph 2 (and, thus, to the principle of independence of protection) and to Article 7, paragraph 2 (and, thus, to the principle of comparison of terms), through this, it points out the reason for which Article 18(1) does not provide for the obligation to grant retroactive protection for those works which have fallen into the public domain in the country of origin through the expiry of the term of protection (the reason that that is in harmony with the principle of comparison of terms) and the reason for which the same provision does provide for retroactive protection for those works which have fallen into the public domain in the country of origin in any way other than through the expiry of the term of protection (the reason that that is in harmony with the principle of independence of protection).

(16) It is in the light of the discussions above that the example given in the following part of the Report of the 1908 Berlin diplomatic conference, and its relevance for the 1971 Paris Act, may be fully understood. This part of the Report reads as follows:

> "Let us take the case of two countries, one of which provides for a term of 30 years and the other 50 years after the author's death. By the interplay of two principles as explained earlier [that is, the principle of independence of protection and the principle of comparison of terms], it is the shorter term which serves as the norm for the relations between these two countries . . . Let us now assume that the country which has a term of 30 years

> increases it to 50; this will not bring back the protection for those works whose authors have been dead for more than 30 years when the new term comes into force, since those works have fallen into the public domain, but the works for which the 30-year period has not expired will benefit from the extension" (see B Book, page 158).

(17) It is clear that this example refers to the – then more typical, and now, under the 1977 Paris Act, rather rare – situation, where, of two countries *both party to the Convention*, one applies the 50-year term and the other applies a 30-year term of protection, and then the latter also extends the protection to 50-years. So long as the difference in the terms exists, on the basis of the principle of comparison of terms, the shorter term applies in the relationship of the two countries. When, however, the country with the shorter term also increases its term to 50 years, that term becomes applicable in the relationship of these countries. Both Article 18, paragraph 2, of the 1908 Berlin Act and Article 18(4) of the 1971 Paris Act provide as follows: "*The preceding provisions shall also apply* in the case of new accessions to the Unions and *to cases in which protection is extended by the application of Article 7*" (emphasis added; Article 18(4) of the 1971 Paris Act also contains a further phrase: "or by the abandonment of reservations"). Thus, the first two paragraphs of Article 18 apply to the example described in the above-quoted part of the Report: the 50-year term newly applicable in the relationship of the two countries must be retroactively applied for all

works in respect of which the previous 30-year term has not expired yet, since the work has not fallen into the public domain in either of the two countries; if, however, the 30-year term of protection thus previously granted expired before the entry into force of the Convention, the work does not have to be protected anew.

(18) It is obvious that the above-discussed example is not applicable in a case where a country with a shorter (let us say a 30-year) term – which has not had any treaty relationship with a country already party to the Convention – newly adheres to the Convention. In this case, Article 18(2) of the Convention is clearly not applicable, since, in the absence of any treaty relationship between the two countries, the works concerned have never been protected *in the country where protection is claimed*, and, therefore, it is excluded that there the works concerned have fallen into the public domain "through the expiry of the term of protection previously granted." Thus, the country newly adhering to the Convention is obliged to grant retroactive protection to all works which, at the moment of the entry into force of the Convention, have not fallen into the public domain *in the country of origin* through the expiry of the term of protection. If, *in the country of origin*, the normal 50-year term of protection (or a longer term) is applicable, the obligation of the newly adhering country to apply "this Convention" (see the first words of Article 18(1)) means that the newly adhering country must apply the 50-year term of protection for all works (of course, with

the exception of photographic works and works of applied art) which have not fallen into the public domain in the country of origin through the expiry of the term of protection. In the rare cases where, in the country of origin of a work (a country already party to the Convention), a term shorter than the minimum 50-year term applies (because that country is still party to the 1928 Rome Act (or the 1908 Berlin Act), and has a shorter terms or, although it is now party to the 1971 Paris Act, it was party to one of the said previous Acts and, when adhering to the latter Act, retained the shorter term), the obligation to apply "this Convention" also includes the applicability of the principle of comparison of terms under Article 7(8) of the Convention, and thus the obligation to apply retroactive protection in respect of the provisions on the term of protection should be interpreted accordingly.

(19) From the viewpoint of the countries already party to the Convention, it has a different importance if, in a newly adhering country, a shorter term (for example 30 years) was granted before, for the works of which the newly adhering country is the country of origin, since it is possible that, on the basis of that shorter term, a work has fallen into the public domain in that country (as the country or origin) at the time of the entry into force of the Convention and thus, under Article 18(1) of the Convention, that work is not covered by the obligation of the other countries party to the Convention (the countries where protection is claimed) to grant (retroactive) protection. This,

in principle, may create a situation, where the newly adhering country is obliged to protect retroactively all the works which, in their countries of origin with at least a normal 50-year term have not fallen yet into the public domain through the expiry of that term of protection, and where, at the same time, those countries are not obliged to grant retroactive protection to the works of which the newly adhering country is the country of origin and which through the expiry of the shorter term (shorter than the normal 50-year term) have fallen into the public domain in that country. (It is to be noted that, in such a case, the newly adhering country may not apply the principle of comparison of terms in view of the fact that some of its works – the works in respect of which the shorter term have expired before the entry into force of the Convention – on the basis of the operation of Article 18(1), *de facto* do not enjoy the 50-year minimum protection in another country. It may not do so because the basis for the application of that principle is that, in another country, a shorter term is fixed, and in the situation mentioned above this is obviously not the case (in the other countries referred to above – countries already party to the Convention with at least a 50-year term – *no* shorter term is fixed). A newly adhering country may avoid that such a difference prevail to its detriment, but, for this, it should arrive to the moment of the entry into force of the Convention with at least a 50-year term and with a *restored protection* for the works of which it is the country of origin and which, on the basis of the previous shorter term, were

already in the public domain but which on the basis of the new 50-year term may still be protected.)

(20) We have stated above that it is obvious that the example mentioned in the Report of the 1908 Berlin diplomatic conference (and quoted above) is not applicable in the relationship of a country with a shorter (let us say a 30-year) term newly adhering to the Convention and a country already party to the Convention between which there has not been yet any treaty relationship providing copyright protection for each other's works, and we have pointed out that the main reason for this is that in such a case, in their relationship, one cannot speak of the expiry of a term of protection previously granted, since before the adherence to the Convention, no protection was granted to each other's works. The Report already quoted also underlines the obviousness of this interpretation when it states as follows:

> "Needless to say, in the case of an accession to the Union, the benefit of this accession will be enjoyed by works which have already been published in countries other than the acceding one; under the terms of Article 18 below, the country may regulate the transitional situation but not claim that works which were not previously protected in its territory are to be considered to have fallen into the public there" (see B Book, page 158).

(21) The possibility to "regulate the transitional situation" referred to in the above-quoted part of the

Report is provided in paragraph (3) of Article 18 which reads as follows:

> "(3) The application of this principle shall be subject to any provisions contained in special conventions to that effect existing or to be concluded between countries of the Union. In the absence of such provisions, the respective countries shall determine, each in so far as it is concerned, the conditions of application of this principle."

(22) In interpreting this provision, first, it should be noted that it speaks about *"[t]he application of this principle."* In this context, the expression "this Principle" refers obviously to what is included in paragraphs (1) and (2) of the Article (and which has been discussed above). Therefore, it is also obvious that what is involved is the *application* of those provisions. In this context, the word "application" should be particularly stressed: the said provisions *must be* applied; there is no basis in the text of the provision for any suggestion that it would authorize a country to deny or limit the application of "this principle," that is of paragraphs (1) and (2) of the Article. What is only allowed is to subject the application to certain provisions under special conventions between countries party to the Convention, or in the absence of such special provisions, to determine in each country "the conditions of the application of this principle." The expression "conditions of the application of this principle" means quite clearly that the conditions should serve the application – that is, the carrying out – of

the "principle" and may not be imposed on the "principle" itself.

(23) The reports of the various diplomatic conferences preparing, adopting, or revising the Convention confirm that the above-outlined interpretation of paragraph (3) of Article 18 is the correct one, and they also offer explanation as to what may consist of the "conditions of application of this Principle": they clarify that these conditions may only consist of some transitional provisions the purpose of which is to protect the legitimate interests of those who have relied on the previous legal situation, where there was no copyright protection for the works concerned, and have invested into the exploitation of the works. In the following, we quote the relevant parts of the said reports. (In the quotations, emphasis is added to the relevant words and expressions.)

(24) The Report of the fifth meeting of the 1884 first Berne conference referred to the proposed provision which was similar to the present Article 18(1), and added as follows:

> "It was pointed out that the above Article had to do with the *transitional provisions* which the Final Protocol would rule upon. As to the substance, the Committee had acknowledged that it was very difficult, if not impossible, to specify at the outset matters that concerned *acquired rights* at the time of the entry into force of the Convention (see the minutes of the third meeting of the Conference, on Question 13). Consequently,

> it proposed reserving the settlement of the matter for conventions that had been or would be concluded . . . " (see B Book, page 101).

(25) The relevant part of the minutes, of the third meeting of the conference reads as follows:

> "Question 13: 'Should it not be specified, subject to the usual reservations and conditions in favour of *acquired rights*, that the projected convention will be retroactive?' . . . Mr. Reichhardt explained that by *acquired rights* he meant those, that related to *copies of works; and also objects specially intended for reproduction, that were completed or in the process of being completed on the entry into force of the Convention* . . . " (see B Book, page 92).

(26) The Report of the 1896 Paris diplomatic conference refers to the new fourth paragraph included in the Final Protocol No. 4, which stated that "the above-mentioned *temporary provisions* shall apply in case of new accessions to the Union" and then it adds as follows:

> "It is considered that countries joining the Union all need to take *transitional measures* just as much as countries which have been party to it from the outset. . . . To this end, it had been proposed stating that 'countries which have not taken measures within a period of two years will be deemed to have purely and simply accepted the principle of retroactivity'. . . . Nevertheless, doubts arose.

> It was feared that a fixed time limit might be considered awkward and might dissuade certain States, whose accession to the Union was considered particularly desirable, from doing so. The vast majority of the Committee did not share these fears; however, it did not want to carry on regardless and not take account of the scruples of one of its members. It therefore deleted the sentence in question" (see B Book, page 141).

(27) The Report of the 1908 Berlin revision conference, which established Article 18 of the Convention in a nearly definitive manner, refers also to the nature of the "conditions of the application of this principle" (that is, paragraphs (1) and (2) of Article 18):

> "Account had to be taken of the *de facto* situation existing in certain countries at the time the Convention came into force, of *the interests of those who might have lawfully reproduced or performed foreign works without their authors' authorization.*" (see B Book, page 158).

(28) To sum up, it is clear that paragraph (3) of Article 18 does not allow any denial or limitation of the application of paragraphs (1) and (2) of the same Article. It only allows certain "temporary provisions," "transitional measures" the purpose of which is to be limited to the protection of certain "acquired rights," particularly of the acquired rights "related to copies of works, and also objects specifically intended for reproduction, that were completed or in the process of being completed on the entry into force of the Convention."

No specific deadline is determined by the Convention for such "temporary provisions" and "transitional measures"; there seems to be, however, a quite general agreement that such provisions and measures should not be applied, in any case, for a period longer than two years from the entry into force of the Convention. (In a way, this two-year period, as the extreme maximum, for the "temporary measures" and "transitional measures" in respect of the principle of retroactivity is confirmed by Article 13(2) of the 1971 Paris Act of the Convention which reads as follows: "Recordings of musical works made in a country of the Union in accordance with Article 13(3) of the Conventions signed at Rome on June 2, 1928, and at Brussels on June 26, 1948, may be reproduced in that country without the permission of the author of the musical work until a date two years after that country becomes bound by this Act.")

II.

The first specific area referred to in your letter is described as follows:

> "The works eligible for protection.
>
> "For example, assuming that (1) a particular work is protected in the country of origin; (2) that work did not enjoy a full term of protection in the country providing retroactive protection; and (3) the term of protection for that work, as measured by Article 7 of the Berne Convention (i.e., life of the author plus fifty years for works whose term is measured

from the life of the author, or generally fifty years from first publication for other works), has not expired at the time the country restores protection to works: Would Article 18 of the Berne Convention require restoration of protection in that work?"

The general statement above on the way Article 18 of the Convention is to be implemented deals with the scope of the works eligible for (retroactive) protection in paragraphs (1) to (20).

Before responding to your question, we should have to state that we assume (i) that, when you speak about a work that "did not enjoy a full term of protection," you mean that, in the country concerned, the term of protection is shorter (for example, 30 years *p.m.a.*) than what is prescribed by Article 7 of the Convention; (ii) that the country providing retroactive protection is the country where protection is claimed; (iii) that, when you speak about the possible need for *restoration* of the protection of the work, by this, you imply that the shorter term applied in the country where protection is claimed has expired at the time when the Convention enters into force; and, finally, (iv) that, in respect of the country where protection is claimed, you refer to a country newly adhering to the Convention, and, thus, to a country which is not in the position to apply Article 7(7) of the Convention (on the faculty to retain a previously applied shorter term).

In the situation thus outlined above, the response to the question depends on whether, on the basis of a

bilateral treaty or a multilateral treaty other than the Berne Convention (for example, the Universal Copyright Convention), the work was previously protected in the country where protection is claimed. If it was, and the shorter term of protection expired before the entry into force of the Convention, due to the provision included in Article 18(2), there is no obligation to restore protection of the work. If, however, there was no such other treaty relationship between the two countries, it follows from what is discussed in paragraphs (1) to (20) of our general statement, that the country where protection is claimed must restore protection of the work and protect it retroactively (since the work has never been protected in that country and thus it has not fallen there into the public domain through the expiry of the term of protection previously granted).

The second specific area referred to in your letter is described as follows:

> Specifically, would Article 18 of the Berne Convention permit a country that provides retroactive protection to limit the rights that country grants foreign nationals to the rights it grants its own "Permissible exceptions to the obligation to provide protection ationals [sic], even if that level of protection is not consistent with the standards established by the Convention: For example, assuming that the country at issue does not restore protection to its domestic-origin works that fit the three criteria in paragraph (1): Under Article 18, could that country refuse to

> restore protection to foreign-origin works that fit the three criteria in paragraph (1) (i.e., those works in which a country must restore protection) merely because it did not restore protection to its domestic-origin works that also fit the three criteria in paragraph (1)?"

Our general statement deals with the permissible exceptions to the obligation to provide (retroactive) protection in paragraphs (1) to (21) above, when it discusses the way paragraph (1) and (2) of Article 18 are to be implemented. Furthermore, it clarifies, in paragraphs (22) to (29) above, that paragraph (3) of Article 18 does not allow any exception to the obligation to grant retroactive protection (and only provide for "temporary provisions" and "transitional measures," to implement retroactive protection).

On the basis of what is discussed in the above-mentioned paragraphs of our general statement, a definite negative answer should be given to your question: A newly adhering country is not allowed to refuse protection to a work the country of origin of which is a country party to the Convention merely because it does not restore protection to its domestic-origin works. Article 18 of the Convention contains minimum obligations in respect of which no reservation may be made. These obligations, as any other obligations under the Convention, do not apply to domestic-origin works, and thus, the newly adhering country is free to restore or not to restore protection for its domestic-origin works. Those obligations,

however, do apply in respect of all the works the country of origin of which is another country party to the Convention, and, thus, they should be applied, except where the Convention itself allows exceptions to the obligations. The case mentioned in your question is not covered by any such exceptions. The newly adhering country is only allowed not to restore the protection of a work the country of origin of which is another country party to the Convention if the work in the latter country has fallen into the public domain through the expiry of the term of protection there granted, or if this is not the case, but the work was protected before in the newly adhering country, and, at the time of the entry into force of the Convention, it has fallen into the public domain through the expiry of the term of protection previously granted.

The third specific area referred to in your letter is described as follows:

> "The permissible limitations on the rights granted in works subject to retroactive protection.
>
> "In particular, once protection is restored, would a country be consistent with Article 18 if it permitted a party to make a derivative work that is based on a restored work without the consent of the right holder of the restored work? Would this answer differ if the party making the unauthorized post-restoration derivative work used the work before protection in the work was restored?

> "Also, once protection is restored to a work, would a country be consistent with Article 18 if it permitted a party to make an unauthorized reproduction of the restored work? Would this answer differ if the party making the unauthorized post-restoration reproduction had used the work before protection in the work was restored?"

Our general statement deals with "the permissible limitations on the rights granted in works subject to retroactive protection" in paragraphs (21) to (28). On the basis of what is discussed in those paragraphs, we may give the following answers to your questions.

As far as derivative works are concerned, we believe that it would not be consistent with Article 18 if, in a country, once protection is restored, it would still be permitted to make a derivative work based on a work for which retroactive protection is granted, without the authorization of the owner of copyright in that work. This answer is justified since, in such a case, there are no acquired rights of the person who wishes to make a derivative work.

The answer would differ if the derivative work was made before the entry into force of the Convention in respect of the country concerned and, thus, before the restoration of the protection of the work. In such a case, the person having made the derivative work does have quite important "acquired rights." Therefore, in such a situation, certain transitional measures may be necessary. It would hardly be justified to provide that the derivative work, which may

be a very valuable work, should not be used anymore, or should even be destroyed, unless the owner of right in the restored work which had served as a basis for the derivative work, "retrospectively" authorizes the existence and use of the derivative work. The restored rights of the owner of copyright in the original work should, however, be respected to the extent that it is reasonable in the face of the said acquired rights of the maker of the derivative work. A solution may be, for example, to provide for an obligation to pay at least an equitable remuneration to the owner of copyright in the original work.

As regards reproduction of a work for which protection is restored, it seems also clear that it would not be consistent with Article 18 if, once protection is restored, it would still be permitted to reproduce the work without the permission of the owner of right, unless specific, identifiable "acquired rights" exist, for example, in the case referred to in paragraph (25) in our general statement where we quote the Report of the 1884 Berne conference (which was the first to state the principle of retroactivity): "acquired rights . . . related to copies of works; and also objects specifically intended for reproduction that were completed on the entry into force of the Convention." This statement included in the Report clarifies that those should be considered to have "acquired rights" who, before the restoration of the protection started carrying out, or at least made significant investment in view of carrying out, acts which, with the restoration of the protection of the work, qualify as infringements if not

authorized by the owner of the right. In favor of those who, relying on the preceding legal situation, have obtained such acquired rights certain reasonable measures are justified. These measures, however, as various diplomatic conferences preparing, adopting or revising the Convention pointed out, should be temporary and transitional and should in no way undermine the principle of retroactive protection. The Convention contains no definition as to for how long the temporary and transitional measures may last but what is discussed in paragraphs (26) to (28) of our general statement suggests that, as a rule, the period of such measures must not last for more than two years. After that period (except for the specific acquired rights in derivative works), no more reference to "acquired rights" and no more "temporary" and "transitional" measures are justified; the obligation to grant retroactive protection must be fully respected without any conditions whatsoever.

— — —

We remain at your disposal for any further clarifications you may wish to have.

Sincerely yours,

/s/ Arpad
Arpad Bogsch
Director General

IN THE UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF COLORADO

Civil Action No. 1:01-cv-1854-LTB-BNB

LAWRENCE GOLAN, RICHARD KAPP, S.A. PUBLISHING CO., INC., d/b/a ESS.A.Y RECORDINGS, SYMPHONY OF THE CANYONS, RON HALL, d/b/a FESTIVAL FILMS, and JOHN McDONOUGH, d/b/a TIMELESS VIDEO ALTERNATIVES INTERNATIONAL,

Plaintiffs,

v.

MICHAEL B. MUKASEY, in his official capacity as Attorney General of the United States, MARYBETH PETERS, in her official capacity as Register of Copyrights, Copyright Office of the United States,

Defendants.

DECLARATION OF PROFESSOR LIONEL BENTLY IN SUPPORT OF PLAINTIFFS' MOTION FOR SUMMARY JUDGMENT

I, Lionel Bently, declare as follows:

A. Professional Expertise

1. I submit this declaration in support of Plaintiffs' Second Motion for Summary Judgment. I have been engaged by Plaintiffs to discuss the practices of the United Kingdom and

other Berne Union countries in implementing Article 18. My findings and conclusions regarding these practices are set forth herein, and are based upon my professional training, research, and analysis.

2. I am currently the Herchel Smith Professor of Intellectual Property Law at the University of Cambridge in England. I am also the Director of Centre of Intellectual Property and Information Law at the University of Cambridge, England. I reside at [Home Address Omitted].

3. I am an expert in the field of intellectual property law, which I have been teaching since 1988. I have taught intellectual property law at various institutions of higher learning, including Cambridge University, Columbia University, National University of Singapore, King's College, London, the London School of Economics, the Centre for British Legal Studies at Warsaw University, City University, Sussex University, and Alicante University.

4. I have written extensively about intellectual property law, including both the domestic law of the United Kingdom and international issues related to intellectual property, including the Berne Convention. In particular, I have authored or co-authored 5 books related to intellectual property; have edited or contributed to 12 books related to intellectual property; and have written 19 publications on intellectual property law in leading journals around the world, including the *Journal*

of the Copyright Society of the USA, *King's College Law Journal*, *Journal of Business Law*, *European Intellectual Property Review*, *Intellectual Property Quarterly*, the *Yearbook of European Law*, the *Trademark Reporter*, the *Loyola Los Angeles Law Review*, the *Chicago-Kent Law Review*, *Intellectual Property Law and Policy Journal* (Japan) and *Australian Intellectual Property Journal*.

5. My textbook (co-authored with Brad Sherman) on *Intellectual Property Law* (Oxford University Press, 2001) (2d ed. 2004) (3d ed. 2008) is a leading textbook on intellectual property published by Oxford University Press. The textbook covers copyright, patents, trademarks, and designs, drawing upon and discussing a range of source materials, including the United Kingdom, TRIPs Agreement, and the Berne Convention.

6. My book *The Making of Modern Intellectual Property Law* (with Brad Sherman) (Cambridge University Press, 1999) provides a detailed historical account of the creation of intellectual property in Britain. It has been translated into Chinese and Arabic.

7. In 2001, with my co-author Brad Sherman, I published *Great Britain and the Signing of the Berne Convention in 1886*, 48 J. COPYRIGHT SOC'Y USA 311 (2001), which analyzes the history of Britain's involvement with the founding of the Berne Convention.

8. Currently, I am developing the book *Copyright and the Colonies: Copyright Relations Between Britain and Its Colonies 1800-1913*.

9. Since 1998, I have provided annual submissions on United Kingdom copyright law to one of the leading international copyright treatises, *International Copyright: Law and Practice* (Paul Geller ed.).

10. I have spoken at 40 conferences, discussing various issues related to intellectual property, including copyright law of the United Kingdom, the History of International Copyright, and Great Britain and the Signing of the Berne Convention.

11. With Martin Kretschmer, I am co-editor of the web-resource, Primary Sources on Copyright in 5 Jurisdictions, 1450-1900 (see www.copyrighthistory.org).

12. I am an Associate of the Australian Centre for Intellectual Property in Agriculture, A.N.U., Canberra, and a Member of the Arts and Humanities Research Board Copyright Network Workshop at the Birkbeck College, London, an international, multidisciplinary network of scholars that consider new directions in copyright law. I am a member of the British Literary and Artistic Copyright Association, the 'Wittem Group' of European Copyright Professors working on a European Copyright Code and a founding member of the International Society for the History and Theory of Intellectual Property (www.ishtip.org). I have been invited to be honorary legal

adviser to the Royal Historical Society, and am on the Advisory Board of the Institute of Brands and Innovation Law at University College, London, and am a member of the Advisory Council of IP Osgoode, a new Center for IntellectualProperty [sic] Law and Technology based at Osgoode Hall Law School in Toronto.

13. I am a member of the Copyright Expert Panel, a group of five advisers to the UK Government's Strategic Advisory Board on Intellectual Property.

B. How United Kingdom's Copyright Laws Protect Reliance Parties in Implementing Article 18 of the Berne Convention

14. I have been asked to discuss the practices of the United Kingdom, Australia, and New Zealand in implementing their obligations under Article 18 of the Berne Convention, specifically with respect to the issue of copyright protection for preexisting works that were unprotected before a country's accession to the Berne Convention. As explained below, the United Kingdom, Australia, and New Zealand have implemented their obligations under the Berne Convention in a manner that is far more protective of reliance parties than U.S. law.

15. *The United Kingdom approach.* The approach of the United Kingdom is as follows. When a country joins the Berne Convention (and a relevant Order is made), the United

Kingdom recognises copyright in existing works which were authored by or first published in that country. These "springing" copyrights (akin to the U.S. concept of "restored" copyrights) have the potential to prejudice the interests of persons in the United Kingdom who have ordered their affairs on the basis that there is no British copyright in such works. British law provides protection for such persons through the Copyright and Performances (Application to Other Countries) Order 2008/677, a copy of which is attached as Exhibit A.

16. Where a person (similar to the figure US law would call a "reliance party") can demonstrate that "expenditure or liability" has been incurred in connection with "an act", which that party has in good faith been doing, or making serious and effective preparations to do, which at the time was not an act restricted by any "relevant rights" in the work, Article 7(2) of the Order provides that the reliance party may continue to do the excluded act or may do the excluded act after "relevant rights" subsequently subsists in the work or performance. *See* Exhibit A. Therefore, reliance parties (i.e., those who had incurred any expenditure or liability before the springing copyrights) retain full rights to continue to use their copies of those works in the manner originally envisaged without infringing copyright. The saving also applies to an author's moral rights ("the rights conferred by Chapter 4 of Part 1 of the Act) and rights in performances (Part 2 of the Act).

17. This generous protection for reliance parties is subject to a proviso: the copyright holder can elect to buy out the interests of the reliance party by paying reasonable compensation to the reliance party. Under Article 7(3), the exemption conferred on the reliance party by Article 7(2) "no longer applies" if the owner of the relevant right or his exclusive licensee (if any) pays compensation to the reliance party. Where no agreement can be reached on what compensation is reasonable, "either person may refer the matter to arbitration." *See* Exhibit A. This proviso is commonly referred to as the "buy-out" clause.

18. The overall effect of Article 7 is to enable a person who had incurred an expenditure or liability to sell off stocks of reproductions, to put on a public performance of a work, or to exploit the work in other ways envisaged at the time the expenditure was incurred without any restriction of copyright, unless the owner of the copyright compensated the reliance party.

19. The British approach to protecting reliance parties has origins tracing back nearly to the beginning of the Berne Convention, first signed in 1886. Britain was, in fact, a very important member to Berne's formation because Britain brought all of its colonies within its accession to Berne, thus doubling its size.

20. The current mode of protection for reliance parties under UK law replaced earlier Orders, to similar effect 2007 (S.I. 2007/273),

2006 (S.I. 2006/316), and 2005 (S.I. 2005/852). These Orders can be inspected at www.opsi.gov.uk

21. The 2005 Order introduced certain minor modifications to the way in which reliance parties had been treated in earlier Copyright (Application to other Countries) Orders, including 1999 (SI 1999/1751), 1993, and 1989. Those Orders conferred similar rights on reliance parties and were also subject to "buy outs". The Orders were narrower than those that have operated since 2005 in that: they did not apply to performances; and there was doubt about their application to authors' moral rights. However, they were broader in three respects: first, there was no requirement that reliance parties had acted in "good faith"; second, the rights of those who had prepared to do acts were not limited to cases of "serious and effective" preparations; and this, any "buy out" required "compensation" rather than "reasonable compensation."

22. The 1989 Order replaced, and substantially modified the language of Article 6 of the Copyright (Application to Other Countries) Order 1979 SI 1979/1715, the terms of which derived from the Copyright Act 1911. Under these provisions, a reliance party who had incurred expenditure or liability in relation to reproduction or performance was declared to be not prejudicially affected as regards "any rights or interests" arising from or in connection with the reproduction or performance of a work which are "subsisting and

valuable" at the date the copyright is first recognised.

23. Between 1887, when the Berne Convention came into operation and was ratified by the UK, and 1911, protection of reliance parties was in the same form, but was not subject to any "buy-out."

24. Britain's longstanding practice in protecting reliance parties has, to my knowledge, never once been the subject of a formal challenge from any Berne country during the past hundred or so years in which it has operated. In addition, in the 14 years since the enactment of TRIPS and the availability of a formal dispute resolution process between member countries under the TRIPS regime, no member state has ever challenged the UK's protection of reliance parties.

25. Professor Ficsor suggests that the UK model does not comply with Berne because the conditions it applies for the benefit of reliance parties are not "transitional" in nature. The Berne Convention itself does not contain any requirement that provisions regarding reliance parties be "transitional" or that they must be limited in time, as Professor Ficsor admits. *See* Ficsor Decl.¶ 66. It is worth reminding ourselves precisely what Article 18(3) says: "respective countries shall determine, each in so far as it is concerned, the conditions of application of this principle." That is, individual members of the Berne Union can decide the conditions in which

they will apply the principle that works which have not fallen into the public domain in the country of origin shall be protected. A literal – or "ordinary" – reading of this provision suggests members have a high degree of freedom in deciding what "conditions" are appropriate.

26. Professor Ficsor's argument nevertheless assumes that to be Berne compliant, a country's reliance party protections must be "temporary." Such an assessment conflates the distinct concepts of "transitional" and "temporary." It is well accepted that countries will need to enact transitional provisions in order to implement new Berne requirements, but some such "transitional" provisions must be (and certainly may be) perpetual.

27. The fact that a "transitional" provision may give a permanent immunity to a reliance party is reflected in the fact that many countries permit the continued, indefinite, exploitation of derivative works, such as translations, which were created before the underlying works on which they were based were required to be protected. *See* Ficsor Decl.¶ 92-3. A typical provision is that in Article 105 of the Austrian Federal Law on Copyright in Works of Literature and Art and on Related Rights, BGB1. No. 111/1936, as last amended [BGB1. I No. 25/1998]), available in an English translation on the website of the World Intellectual Property Organisation (http://www.wipo.int/clea/en/).

Article 105 is in 'PART V' of the Law, which is headed 'TRANSITIONAL AND FINAL PROVISIONS.' Article 105 reads:

> The rights of authors of translations which were lawfully published before the entry into force of this Law without the consent of the author being required shall not be affected by this Law.

Thus a "transitional" provision protects indefinitely the rights of a reliance party (the translator of a work who made that work at a time when the law did not require that the permission be obtained from the author or copyright owner of the work translated), even though the later law requires permission to translate works and exploit translations. *See* also German Copyright Act, 1965, Art 130. Professor Ficsor recognizes that such provisions are compatible with Article 18(3) of the Berne Convention. *See* Ficsor Decl. ¶ 93.

28. Like these provisions, the treatment of reliance parties under the UK model is a "transitional" provision even though it is not temporary, because (i) full rights are given prospectively to the copyright owner against persons in general (all persons other than reliance parties) (*cf.* Ficsor Decl. ¶ 95 that incorrectly implies the rights are given to the reliance party); (ii) the only persons who are exempt from the new regime are those that undertook acts ("reliance parties") before the

regime came into operation. The U.K. rules on reliance parties deal with the respective rights and interests of those affected by the "transition". The U.K. rules are not temporary but are evidently transitional.

29. Professor Ficsor also relies, for his claim that the transitional provisions must be temporary, on examples from European implementation of the Council Directive 93/98/EEC of 29 October 1993 harmonising the term of protection of copyright and certain related rights. *See* Ficsor Decl. ¶ 68 ff. Because the Directive required the harmonized terms to be applied to existing works, including works which had fallen into the public domain in one member state but remained protected in another state, and so raised a likelihood that countries would be obliged to revive rights in public domain works, Article 10(3) included savings of "reliance parties." More specifically, Article 10(3) declared that the "Directive shall be without prejudice to any acts of exploitation performed" before 1 July 1995 and that the "Member States shall adopt the necessary provisions to protect in particular acquired rights of third parties."

30. The provisions of Article 10(3) of that Directive are very different from those of Article 18(3) of the Berne Convention, as are the underlying imperatives for legislating. In the case of the Directive, the goal is to remove differences between national laws "which are liable to impede the free movement of goods . . . in the common market." *See* recital 2 of

the Directive; *see also* recital 25. This goal implies that the transition to a regime in which the laws of member states are identical should occur as quickly as is possible. *See Butterfly Music Srl v. C.E.M.E.D.*, Case C-60/98 (29 June 1999) (European Court of Justice) para, 20. This goal suggests that the practices of Member States in implementing the Directive, and the jurisprudence of the European Court of Justice, are irrelevant when considering interpretation of Article 18 of the Berne Convention.

31. In any case, it is worth noting that the European Court of Justice decision in the *Butterfly Music* case (see Ficsor Decl. ¶ 75-81) does not support a claim that a "transitional" measure must be temporary. In that case a reliance party, Butterfly Music Srl, claimed that a transitional provision of Italian law that offered exploiters of copies of sound recordings made when the recoding [sic] was unprotected only *temporary* protection was not in compliance with Article 10(3) of the Directive because it gave insufficient protection to their acquired rights. Parallel transitional provisions applicable to literary works allowed for the indefinite exploitation of copies made before the law reviving the copyright protection came into force. The European Court of Justice rejected Butterfly's claim. It observed that Article 10(3) obliged Member States to adopt protective measures for "reliance parties" but left the detail to the discretion of the Member States. The Italian provision was regarded as within the margin

of appreciation afforded to Member States of what was necessary to protect the interests of the reliance party. That is, a *temporary* measure was not imcompatible [sic] with the interests of reliance parties.

32. Not only has the UK model gone unchallenged for more than a century, it has been emulated by numerous other Berne member countries, including many more recent signatories. To my knowledge, none of these countries' treatment of reliance parties has ever been the subject of a formal challenge by another Berne member. Thus it is simply not credible to suggest that the UK model does not comply with Berne.

C. Numerous Other Countries Modeled Their Copyright Laws on the United Kingdom's Laws and Include Protection of Reliance Parties

33. The British approach, as embodied in the 1979 Order, has been influential in a number of other Berne Union countries. For example, similar provisions for the protection of reliance interests exist in the laws of Australia, New Zealand, Canada, Ireland and Singapore. Many former colonies of the United Kingdom, such as Belize, Dominica, Hong Kong, India, Jamaica, Pakistan, and Saint Lucia, include a similar saving when enacting new legislation but it is not clear whether many of these provisions would also be

applied to reliance parties affected by the springing up of copyright.

34. *Australian approach*. Under Australian law, reliance parties are to continue to be entitled to the right or interest "subsisting and valuable" before the relevant date "unless the exclusive right holder has agreed to pay *reasonable* compensation to the affected person." Australia's Copyright (International Protection) Regulations 1969, attached as Exhibit B. These provisions are slightly less generous to reliance parties than those of UK law, in that they require the expenditure to have created a "right" (such as a personal property right or another copyright) or "interest" (a notion which has been generously construed) which subsists at the relevant date. *See* Exhibit B.

35. *New Zealand's approach*. In New Zealand, the relevant provision on reliance interests is similar to the current UK law, but the amount of compensation is limited to compensation "for the person's expenditure or liability" as may be agreed, or in default of agreement is determined by arbitration. New Zealand's Copyright Act 1994, § 231, attached as Exhibit C.

36. *Canadian approach*. In Canada, reliance interests are protected much the same as under Australian law, but if the copyright holder and the reliance party cannot agree on compensation, the Copyright Board can determine the fee the copyright holder must

pay the reliance party. *See* Canada's Copyright Act, Part III, sec. 33.

37. Several additional Berne Union countries have included statutory provisions on reliance interests that are similar to UK law, which do not take away the rights of reliance parties (i.e., those who incurred any expenditure or liability) to continue to use their works as originally envisaged, unless the springing or restored copyright holder pays them compensation under the "buy out" clause. A list of these countries and the relevant statutory provisions are contained in the chart attached as Exhibit D.

38. *The U.S. Approach Compared to Other Berne Union Countries.* Other Berne Union members' implementations of Article 18 of the Berne Convention, including that of the United Kingdom (which has been substantially followed by Australia, New Zealand, Canada and numerous other countries), are much more protective of reliance parties than Section 514 of the Uruguay Rounds Agreement Act, codified at 17 U.S.C. §§ 104A, 109(a).

    (a) The UK's approach (and the approach of many countries who modeled their statutes on the UK's) ***does not take away*** the rights of reliance parties (i.e., those who incurred any expenditure or liability) to continue to use their works as originally envisaged, unless the

springing copyright holder pays them compensation under the "buy out" clause. Such reliance parties retain full rights to their copies of the works, indefinitely and without restriction. By contrast, the U.S.'s approach **takes away the rights** of reliance parties (after a 12-month period), even limiting the rights normally accorded under the first sale doctrine. *See* 17 U.S.C. § 104A(d)(2)(A), (d)(2)(B); *id.* § 109(a).

(b) The U.S. law does allow reliance parties who had made derivative works based on affected works prior to the law to continue to exploit the derivative work, but only "if the reliance party pays to the owner of the restored copyright reasonable compensation." *Id.* § 104A(d)(3). This protection, however, is minimal when compared to the approaches in the UK (and its counterparts). Under the UK approach, it is the copyright holder who must pay compensation to buy out the reliance party, not just for derivative works but for *any* affected work for which the reliance party incurred an expenditure or liability.

Pursuant to 28 U.S.C. § 1746, I declare under penalty of perjury under the laws of the United States that the forgoing is true and correct.

DATED this 8 day of January, 2009, at Singapore, ___.

/s/ Lionel Bently
Lionel Bently

IN THE UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF COLORADO
Civil Action No. 01-B1854

Laurence Golan, et al.,

Plaintiffs,

vs.

John Ashcroft, in his official capacity as Attorney General of the United States, et al.,

Defendants.

DEPOSITION OF

RONALD HALL

FEBRUARY 4, 2005

9:00 A.M.

VIRGINIA LEDFORD
SYNDICATED REPORTERS
1024 GRAIN EXCHANGE BUILDING
MINNEAPOLIS, MN 55415
TEL. (612) 333-6549 • FAX (612) 630-9048

* * *

[33] Q. What is it?

A. What?

Q. Yes, what is it?

A. What is it? It's the declaration that I mostly wrote up and it is an accurate statement in my own words of the situation of my dealings with film.

Q. You said that it's the declaration that you mostly wrote up. Is that how you know what it is?

MS. VOGELE: Objection, vague.

THE WITNESS: I don't understand.

BY MR. HALL:

Q. How do you know what this document is?

A. Because it says it's my declaration and I have seen it before and I signed it.

Q. And now you testified a minute ago that you wrote most of this?

A. Yes.

Q. Can you just identify for me the parts that you did not write?

A. Well the paragraph one I didn't write that. I wrote, essentially I wrote all of it. I did not write, put in the wording Section 514. I did not know how they were referring to the [34] law.

Q. Can you tell me which paragraph of Exhibit 1 you're referring to?

A. Well like paragraph 11. Well and I see also up in paragraph nine the lawyers added the

terminology Section 514. I had always referred to it as URAA.

Q. Are there any other portions of the Exhibit 1 that you did not write?

A. Well I did not write attached to this declaration is Exhibit D and such terminology as that.

Q. Is everything else what you wrote?

A. Yes.

Q. Let me refer you to paragraph two of Exhibit 1.

A. Okay.

Q. Where you state you are the owner and founder of Festival Films.

A. Yes.

Q. Is that the company that we've been talking about this morning?

A. That's the company that I started in 1975 and I operate today, yes.

Q. Can you just tell me briefly what Festival Films does?

[35] A. We sell movie related materials through our Web site on the Internet.

Q. When you say movie related materials what does that term encompass?

A. 16 millimeter films. VHS videotapes. DVDs. Movie poster reproductions. Video masters of public domain films. And stock footage. I believe that's all.

Q. Let me just go over that list a little bit.

A. Yes.

Q. You said that Festival Films sells 16 millimeter films.

A. Yes.

Q. Where does Festival Films acquire those 16 Millimeter films?

A. There's the Blackhawk collection that I mentioned a while ago when I was in high school. That group of films, a portion of that group of films is still available for sale and I now represent that collection.

Q. When you say you represent the Blackhawk Film collection what does that mean?

A. It means that the negatives are in a film lab and I can order from the negatives and then I pay the owner of the negatives.

[36] Q. Is Festival Films the only source for selling the Blackhawk Film collection?

A. No.

Q. So one of several?

A. Several, yes.

Q. What other sources does Festival Films have for obtaining 16 millimeter films?

A. There would be a few other people that I can get films from, yes.

Q. Do you recall –

A. One that I can still get films from is Charlie Vesce who is noted in this document.

Q. And who is Charlie Vesce?

A. Somebody who has 16 millimeter negatives and can supply film today still.

Q. Any other sources?

A. I don't think so.

Q. What about VHS?

MS. VOGELE: Objection, vague.

THE WITNESS: Well there are many sources for VHS.

BY MR. HALL:

Q. What are some of the sources that Festival Films uses?

A. We get videos of copyrighted films from a very

* * *

[61] MS. VOGELE: Objection, vague.

THE WITNESS: I never kept track of things like that.

BY MR. HALL:

Q. How did the – do you recall how the sales revenues for the company from 1978 compared to the sales revenues for 1977?

A. No, I don't.

Q. What about 1979 do you recall?

A. No. Just that we did quite well in all of those years.

Q. So 1981 was the year when you left the theater to go into Festival Films full time?

A. Yes.

Q. Do you recall what the company's sales revenues were during 1981?

A. Not specifically. Business continued to do well into the '80s.

Q. You said business continued to do well into the 1980s. Was there a point when business stopped doing well?

A. Not particularly. I would say in a general sense the early years, the first five or six years we perhaps did make more money than we had you know in the '90s.

[62] Q. Why do you think that is?

A. Because 16 millimeter sales have a high profit markup and colleges stopped buying as many 16 millimeter in the '90s as they had switched to videotape.

Q. You indicated that 16 millimeter sales have or had a high profit markup. What does that mean?

A. That means if I sell a featured film I maybe would make $150 profit as opposed to selling a videotape and making $10.

Q. Why do you think that was? Do you have an opinion as to why that was?

A. 18 [sic] millimeter film sold for a lot more.

Q. Do you recall roughly when it was or what year – let me backtrack. At some point in your experience did video sales supplant 16 millimeter sales?

A. I think so, yes.

Q. Was there a year in which you noticed a greater number of video sales than you had seen previously?

A. I couldn't say specifically when that was. I would say that sometime in the 1980s that I probably noticed that that was the case.

Q. Do you recall whether there was a year in which [63] video sales succeeded 16 millimeter sales as a larger percentage of your sales revenues?

A. I think that that happened. I'm not sure if I was aware of it at the time.

Q. Do you recall roughly when that might have been?

A. Well sometime in the mid '80s would be my guess.

Q. How did you respond, or did Festival Films take any action when you noticed this starting to happen?

A. Well in my catalogs I would be advertising videotapes and going after the videotape sales.

Q. Did this trend have any effect on the number of videos you purchased in VHS format?

A. I purchased VHS tapes to fill orders. I did not keep a large stock.

Q. Was Festival Films purchasing – strike that. You testified that you didn't keep a large stock.

A. Right.

Q. What do you mean by that?

A. Well I would get an order from a college for as an example 20 videotapes and then I would go to Ingram Entertainment and order those 20 [64] videotapes and fill the order.

Q. So did Festival Films maintain an inventory in anticipation of orders?

A. No, because there are many, many thousands of videotapes that are for sale.

Q. Is that unique? Was that – were your inventory methods unique to video or did you – I'm sorry, let me just leave it at that. Was that inventory method unique to video?

MS. VOGELE: Objection, vague.

THE WITNESS: I don't know what you mean.

BY MR. HALL:

Q. Did you, did you, did you handle inventory, maintain inventory differently for video than you did for your other products?

A. No, exactly the same. I did not have any 16 millimeter in stock because that was expensive and you never knew what you would sell. So when a customer ordered a 16 millimeter film then I would order it from the film lab.

Q. As of today what type, what how large of an inventory of products does Festival Films maintain?

A. Very little.

[65] Q. How many, how many DVD titles does Festival Film maintain in its inventory right now?

A. A handful. Like maybe 20 DVDs I think will sell. I mean I try not to keep things in stock.

Q. When you say maybe 20 DVDs do you mean 20 DVDs or 20 titles?

A. 20 DVDs of different titles.

Q. Is that consistent with Festival Films previous approach toward maintaining inventory for DVDs?

A. Yes, I try not to keep an inventory.

Q. So at any given time how many different DVDs would you expect to have in the inventory at Festival Films?

A. 20 or less.

Q. What about VHS titles?

A. VHS does not sell much anymore. I have maybe 80 to a hundred VHS tapes and they're simply ones that I haven't been able to sell that I have accumulated somehow over the years. You know probably less, probably 50, 40 or 50.

Q. Do you recall how you came to acquire those 50 or fewer VHS tapes that you currently have?

A. Probably if I looked at them I could, you know. They were returns, they were rejects, they were [66] ones that I thought I had a sale on and somebody canceled the sale. There could be various reasons.

Q. What about 16 millimeter films, how many 16 millimeter films do you have in inventory right now?

A. Just two or three that somebody returned and I'm stuck with.

Q. Can you recall what those titles are?

A. The only one I can recall I have a Laurel and Hardy short called Chickens Come Home that was just returned to me, the customer is not happy with it but there's nothing wrong with the print so probably put it in stock and hope to sell it someday.

Q. You don't recall the others?

A. I think there's another Laurel and Hardy short that I don't remember the title of. Short meaning 20 minutes.

Q. What about movie poster reproductions, how many of those do you have in stock?

A. I have about 120 of those.

Q. Do you have a different approach towards stocking movie poster reproductions?

A. Yes, because a friend who runs a video store [67] offers them for sale. He has them on display.

Q. What about video masters of public domain films, how many of those do you have in stock at the moment?

A. Well the masters, you don't sell the masters, you sell copies of the masters. Personally I have only about 10 masters that I have somehow accumulated for myself. All the other masters come from Conrad Sprout if I get an order.

Q. Do you recall off the top of your head what the 10 or so video masters that you have in your own stock are?

A. Specific titles?

Q. Yes.

A. The Giant Gila Monster. The Little Shop of Horrors. Dementia 13. Santa Fe Trail. The Purple Death Dust. Those are what I recall offhand. I could probably think of some other ones. Okay, White Zombie.

Q. I'm kind of intrigued by Purple Death Dust. What is that about?

A. That is a feature version of a Flash Gordon serial.

Q. Sounds pretty cool actually. And what about stock footage, how much stock footage do you [68] maintain in your inventory?

A. Stock footage depends on knowing which public domain film a desired scene might be in. I do have a lot of public domain DVDs that I use for the stock footage.

(Recess taken.)

MR. HALL: Can you read back the last question?

(Testimony read.)

BY MR. HALL:

Q. I think before the break we were talking about your inventory of the stock footage.

A. Yes.

Q. And I think you testified that where you get the stock footage really depends on which public domain film might have the scenes that somebody is looking for.

A. Yes.

Q. Can you just kind of elaborate on that for me?

MS. VOGELE: Objection, vague.

THE WITNESS: If somebody wants a shot of a car chase from the 1950s then I know which movie to get it from.

BY MR. HALL:

Q. Which movie would you get that from?

[69] A. There's a Jack Nicholson movie from '58. I can't remember the title.

Q. What do you think the best car chase scene in the movies is? Do you have an opinion?

A. No, I don't.

MS. VOGELE: I'll give you a little leeway on this one.

MR. HALL: I appreciate that very much. Very courteous of you. Thank you.

MS. VOGELE: I will.

BY MR. HALL:

Q. So are you able to fulfill most of the requests from stock footage from materials in your collection?

A. Sometimes, but that's really a small part of business so it doesn't come up very often.

Q. We had discussed some materials that you maintain in your inventory. Is there anything else that, any other products that you maintain in your inventory currently?

A. Not items for resale, no.

Q. Do you recall roughly what your sales revenue for the year 2004 was?

A. The gross sales?

Q. Sure.

[70] A. I think it was around $180,000 gross sales.

Q. Do you have a rough estimate of what volume that $180,000 was comprised of DVDs?

A. No, I don't.

Q. Do you have a rough estimate of the breakdown of product sales in that total sales revenue?

A. I went over my records, you know. I'm working on my taxes and I just because I thought I might be asked it I roughly estimated the amount of public domain sales and that was approximately 60 percent of my gross sales.

Q. And would the remaining 40 percent be copyrighted materials?

A. Part of that would be the movie posters which you know are not treated as copyrighted, they're copyrighted, I get them from another company. And so I guess a large portion – well no. Some of that other 40 percent would be sale of the Blackhawk Films because I still do sell 16 millimeter films and some of them are copyrighted as in the Laurel and Hardy films.

Q. Do you have a rough estimate of what your expenses for the calendar year 2004 were?

A. I did not get to that part in my tax report [71] yet.

Q. Can you give me just a general idea what type of expenses, business expenses Festival Films would have incurred or did incur during 2004?

MS. VOGELE: Objection, compound, vague.

THE WITNESS: Well the cost of goods is the largest one.

BY MR. HALL:

Q. Meaning the wholesale prices you pay?

A. Yeah, the wholesale prices that we pay.

Q. Can you recall any other business expenses?

A. Well shipping expenses. Cost to maintain the Web site. Equipment and you know use of the home as a business office and that sort of thing.

Q. Do you recall roughly how much sales revenue Festival Films generated in calendar year 2003?

A. I don't remember that. I have a poor memory of things like that. It would be easy to look up of course.

Q. Do you maintain records of the sales from the year 2003?

A. Oh yes.

Q. You testified earlier that you believe you have [72] sales records going back as far as 10 years or so.

A. Well it's required for seven years for taxes I believe and so probably a couple years more, yeah.

Q. Do you recall what your sales revenues were for any of those years, any of the years from say 1995 onward?

A. I don't remember. I have all of that written down somewhere.

Q. When you say you have it written down somewhere you're referring to?

A. In my tax records.

Q. In addition to your tax records do you maintain records of all sales made for those years?

A. Yes. Yes.

Q. Do you have a formula or method for establishing prices for the products Festival Films sells?

A. Well the cost of DVDs comes with a suggested retail price so I just use that price on DVDs. The Blackhawk films have a price set by the owner.

Q. When you say the Blackhawk films have a price set are you referring to the wholesale price?

* * *

[109] people.

Q. Have you done anything else to investigate the copyright status of this film?

A. Well I tried to figure out the law I guess of how it applies to the British films of the '30s.

Q. Are there any other steps you've taken to try to figure out the copyright status of this title?

A. Mainly just talking to people.

Q. Besides talking to people and looking at the law have you done anything else to try to figure out the copyright status of the title?

A. I guess not.

Q. Do you currently offer this title for sale?

A. I don't – I don't know. I do not offer it for sale in 16 millimeter which is what I started. Nobody's asked for it on DVD lately. I believe that I could be selling it on DVD. I believe it has come out.

Q. Do you advertise it on your Web site?

A. I don't think so.

Q. You indicated you believe it has come out on DVD.

A. Yes.

[110] Q. Is that a copyright version?

A. I think it would be, yes.

Q. Have you seen a recent release of this film under copyright anywhere?

MS. VOGELE: Objection, vague.

THE WITNESS: Yeah. I haven't personally seen one, no.

BY MR. HALL:

Q. What about the next film, next Hitchcock film you list Murder?

A. Well all four of them are in the same category there, so. I don't know, I honestly don't know if it's public domain in this country or not.

Q. Do you have a copy of that film?

A. Yes.

Q. Inventory or personal?

A. Personal.

Q. Do you currently list it for sale?

A. I don't think so.

Q. What about the next title the Man Who Knew Too Much, do you own a copy of that title?

A. Yes.

Q. Is that personal or part of your inventory?

A. Personal.

Q. And the last one The 39 Steps.

[111] A. Yes, I own a personal.

MS. VOGELE: Sony, what's the question pending?

MR. HALL: I think the answer is clear.

THE WITNESS: Okay, I'm just –

MS. VOGELE: Do you understand the question?

THE WITNESS: I think he was asking if I had a copy of it and was it personal or not and the answer would be yes.

BY MR. HALL:

Q. Do you own an inventory copy?

A. No.

Q. Let me direct your attention to paragraph 10 of Exhibit 1. In this paragraph you state you purchased 16 millimeter negatives of a number of films the first of which is Last Year at Marienbad.

A. Yes.

Q. Do you own a copy of this title?

A. No.

Q. What happened to the 16 millimeter copy of this film that you purchased?

A. It's in storage.

Q. Do you recall approximately when you purchased [112] that film, that copy?

A. Approximately 1980, within two or three years in either direction.

Q. And you state in paragraph 10 of Exhibit 1 that you paid about $600 for this.

A. Yes.

Q. Did you maintain this as part of your inventory after you purchased it?

A. It was not for reselling, it was for making additional copies so it would not be inventory but it was something that I kept.

Q. Did you ultimately – do you recall whether Festival Films sold any copies of Last Year at Marienbad based on the negatives that you purchased?

A. Yes.

Q. Do you recall approximately how many?

A. No.

Q. Do you have any estimate?

MS. VOGELE: Objection, calls for speculation.

THE WITNESS: I really can't remember back how many I sold in the early '80s or '90s.

BY MR. HALL:

Q. Do you recall what format you sold copies of [113] this film in?

A. 16 millimeter.

Q. When did you learn that this film had been restored to copyright?

A. Sometime after the law had gone through.

Q. Do you recall how you learned?

A. No, I don't.

Q. And when you say that the negatives of this film are in storage where is that?

A. Where are they in storage?

Q. Yes.

A. I sent them to someone in New Jersey.

Q. Who is that?

A. Charlie Vesce.

Q. Do you know what Mr. Vesce has done with the negatives of this film?

A. No. He has them in his storage vault I assume.

Q. Do you recall approximately what you were selling the copies of this film for back in the 1980s when you were selling it?

A. It's very easy to look up. I would think around $500.

Q. Per copy?

A. Per copy, yes. That is just a guess. As I say we could look it up easily.

[114] Q. The next film on the list in paragraph 10 on Exhibit 1 is The Gospel According to St. Matthew.

A. Yes.

Q. Do you own a copy of that film?

A. No.

Q. So you only own the 16 millimeter?

A. Negative that is in storage.

Q. Negative. And that's also in storage with Mr. Vesce?

A. Yes. Yes.

Q. Do you recall approximately when you purchased this negative?

A. Early '80s.

Q. And do you recall that you paid approximately $600 for the negative?

A. I think that cost more like $700 because it was a longer film.

Q. Do you recall whether Festival Films sold any copies of –

A. Yes.

Q. – this film?

A. Yes.

Q. And do you recall how many?

A. No.

[115] Q. Do you recall roughly how much Festival Films was selling this title for?

A. That might have sold for 750 because it was a two hour movie.

Q. Do you recall approximately when you sent the negative The Gospel According to St. Matthew to your friend Mr. Vesce for storage?

A. No, I don't.

Q. Do you recall whether it was before you learned of Section 514?

A. I really don't remember that.

Q. Do you recall at all when you learned that this film The Gospel According to St. Matthew had been restored to copyright?

A. Sometime in the mid to late '90s.

Q. Do you recall how you learned?

A. No, I don't.

Q. Did you do anything with this film after you learned that it had been subject to copyright restoration?

MS. VOGELE: Objection, vague.

THE WITNESS: No.

BY MR. HALL:

Q. Did you make any effort to sell the negatives after you learned that it had been restored to [116] copyright protection?

A. No, I didn't.

Q. Going back to the previous film Last Year at Marienbad, did you make any effort to sell the negatives of this film after you learned that it was subject to copyright restoration?

A. No.

Q. The next film on this list is Seduced and Abandoned. Do you maintain a copy of this?

A. No.

Q. Do you still own the 16 millimeter negatives?

A. Yes.

Q. Where are they?

A. In the same storage facility.

Q. Do you recall approximately how much you paid for this film when you purchased it?

A. No.

Q. Do you have any reason to believe it was –

A. It wouldn't have varied much from the 600.

Q. Do you recall approximately when you purchased it?

A. In the same time period early '80s.

Q. Do you recall whether Festival Films sold any 16 millimeter copies of this film?

A. Yes, we did.

[117] Q. Do you recall approximately how many?

A. No.

Q. Do you recall approximately how much you were selling it for?

A. 650. That's a guess. Easy to check.

Q. When did you learn that this film had been restored to copyright?

A. In the same time period the late '80s, '90s, late '90s, excuse me.

Q. Did you make any effort to sell the 16 millimeter negatives of this film that you owned after you learned that it had been restored to copyright?

A. No.

Q. The next film you list in paragraph 10 of Exhibit 1 is Seventh Seal.

A. Right.

Q. Do you still own the 16 millimeter negatives of this film?

A. Yes.

Q. Where are they?

A. In the same storage facility.

Q. Do you recall approximately when you purchased this film?

A. Early to mid '80s.

[118] Q. Do you recall approximately how much you paid for it?

A. All films of 90 minutes or so in that period cost around $600.

Q. Do you recall whether Festival Films sold any 16 millimeter copies of this film?

A. Yes, we did.

Q. Do you recall how many?

A. No.

Q. Do you recall how much this film, the copies of this film were sold for?

A. 650 is another guess. That would be easy to check.

Q. Do you recall when you learned that this film had been subject to copyright restoration?

A. In the late '90s.

Q. Did you make any effort to sell the 16 millimeter negatives of this film after you learned that it had been subject to copyright restoration?

A. No.

Q. The next title on this list in paragraph 10 of Exhibit 1 is Persona.

A. Yes.

Q. Do you recall when you purchased the negatives [119] for this film?

A. In the same time period early '80s.

Q. Paid about $600 for it?

A. Yes.

Q. Do you recall whether Festival Films sold any copies of this title?

A. Yes, we did.

Q. On 16 millimeter?

A. Yes.

Q. Do you recall approximately how much you charged?

A. Maybe $500. This is a somewhat shorter film than the others.

Q. Do you recall approximately how many copies, 16 millimeter copies of this title you sold?

A. No, I don't.

Q. And do you recall approximately when you learned that this title had been subject to copyright restoration?

A. Mid to late '90s.

Q. Did you make any effort to sell the 16 millimeter negatives in your possession subsequent to learning that?

A. No.

Q. The next title in paragraph 10 of Exhibit 1 is [120] Los Olvidados.

A. Yes.

Q. Do you recall when you purchased the 16 millimeter negatives of this title?

A. Early '80s.

Q. Did you pay around $600?

A. Yes.

Q. Do you recall whether Festival Films sold any 16 millimeter copies of this title?

A. Yes, we did.

Q. Do you recall approximately what the price was?

A. In the same price range between 500 and 600.

Q. Do you recall approximately when you learned that this title had been subject to copyright restoration?

A. In the late '90s, mid to late '90s, same time.

Q. Did you make any effort to sell the 16 millimeter negatives of this title after you learned that it had been restored to copyright?

A. No, I did not.

Q. The next title in this list in paragraph 10 of Exhibit 1 is Viridiana.

A. Yes.

Q. Do you recall approximately when you purchased the 16 millimeter negatives of this title?

[121] A. Early 1980s.

Q. Do you recall paying approximately $600 for it?

A. That would be my recollection.

Q. Do you recall whether Festival Films sold any copies of this title on 16 millimeter?

A. Yes, we did.

Q. Do you recall approximately how much you charged?

A. Probably around $600.

Q. Do you recall approximately how many copies on 16 millimeter you sold?

A. No, I don't.

Q. Do you recall approximately when you learned that this title had been restored to copyright?

A. Late '90s.

Q. Did you make any effort to sell your 16 millimeter negatives of this title after you learned that it was subject to copyright restoration?

A. No.

Q. The last title on this list in paragraph 10 of Exhibit 1 is the World of Apu.

A. Yes.

Q. Do you recall when you purchased the 16 millimeter negatives of this film?

[122] A. Mid '80s.

Q. Do you recall paying approximately $600 for it?

A. They all cost about the same price, yes.

Q. Do you recall whether Festival Films sold any copies on 16 millimeter of this title?

A. Yes, we did.

Q. Do you recall approximately what you charged?

A. Approximately $650 because that was a longer film.

Q. Do you recall approximately how many copies of this title you sold on 16 millimeter film?

A. No, I don't.

Q. Do you recall approximately when you learned that World of Apu had been restored to copyright?

A. In the mid to late '90s.

Q. Did you make any effort to sell the 16 millimeter negatives in your possession after you learned that it had been subject to restored copyright?

A. No.

Q. May I refer you to paragraph nine of Exhibit 1.

A. Okay.

Q. If you can turn to page four. In the last line of that paragraph you refer to a list of titles [123] that's attached as Exhibit D to this declaration.

A. Right.

(Exhibit 2 marked.)

BY MR. HALL:

Q. Mr. Hall, the court reporter has placed what's been marked as Exhibit 2 in front of you. Can you take a minute to look at that and tell me when you've had a chance to do so.

A. I've looked through it, yes.

Q. What is this document?

A. This is a list of foreign films that I used to sell in 16 millimeter that I can no longer sell after the law went into effect.

Q. How do you know what this document is?

A. I compiled this list of films out of my catalog, sent to it the lawyers.

Q. Do you remember approximately when you compiled this list?

A. Well it was well over a year ago. I don't know more than that.

Q. Can I direct your attention to the first title on the list of Exhibit 2.

A. Yes.

Q. It's a film called On Approval.

[124] A. Yes.

Q. Did you ever own a 16 millimeter copy of this title?

A. No.

Q. Was this a title you offered in your catalog?

A. Yes.

Q. How did you sell this title?

A. On 16 millimeter.

Q. Did you fill orders when they came in?

A. Yes.

Q. When did you learn that the title had been subject to copyright restoration?

A. I don't remember.

Q. Do you recall whether you had any copies of this title in your inventory when you learned that it was subject to copyright restoration?

A. I'm sure that I did not.

Q. The next title on the list is Falstaff.

A. Yes.

Q. Is this a title that you owned or that you maintained in your inventory as a 16 millimeter film?

A. I didn't maintain any inventory of 16 millimeter. I only ordered them when I received orders.

* * *

IN THE UNITED STATES DISTRICT COURT
FOR THE DISTRICT OF COLORADO

LAWRENCE GOLAN; RICHARD KAPP; S.A. PUBLISHING CO., INC., d/b/a, ESS.A.Y. RECORDINGS; SYMPHONY OF THE CANYONS; RON HALL d/b/a FESTIVAL FILMS; JOHN McDONOUGH, d/b/a TIMELESS VIDEO ALTERNATIVES INTERNATIONAL,	)	
Plaintiffs,	)	Civil Action No. 01-B-1854 (BNB)
vs.	)	
JOHN ASHCROFT, in his official capacity as Attorney General of the United States; and MARYBETH PETERS, Register of Copyrights, Copyright Office of the United States,	)	
Defendants.	)	

DEPOSITION OF KORTNEY STIRLAND

Taken at the Office of:
Bonanza Reporting
2320 Paseo Del Prado, Building B, #106
Las Vegas, Nevada 89102

Sunday, February 6, 2005

10:15 a.m.

Reported by: Gale Salerno, RMR, CCR No. 542

* * *

[17] any positions?

A. I was employed. I was a schoolteacher for one year.

Q. What year was that?

A. That would have been 1975.

Q. And where was this school?

A. That was Manila, M-a-n-i-l-a, High School in Manila, Utah.

Q. In what subject did you teach there?

A. Music, PE and geography.

Q. Any other positions prior to that?

A. I had employment in a cabinet mill.

Q. When was that, approximately?

A. That would have been from '96 through to '97 – '76 to '77.

Q. That was after your –

A. That was after my school teaching experience.

Q. What was the name of that cabinet shop?

A. It was Fetzers, F-e-t-z-e-r-s, Incorporated, in Salt Lake City, Utah.

Q. And what position did you hold there?

A. I was an apprentice cabinet maker.

Q. Why did you leave that position?

[18] A. I had an injury that was fairly serious, and I felt that I wanted to leave that environment because of the risk.

Q. Any other jobs that you held?

A. I was an LDS missionary from 1970 to '72.

Q. LDS, meaning Latter Day Saints?

A. Uh-huh.

Q. Where were you a missionary?

A. Australia.

Q. Did you complete that mission?

A. Yes.

Q. Anything else?

A. That's everything.

Q. Can you briefly describe for me what Symphony of the Canyons is.

A. Uh-huh. It's a group of amateur musicians that's made up of both high school students, middle school students, and community members from my community and surrounding communities. And we perform throughout the year. And we've existed for 21 years.

So we have a – one of our mission statements is to help educate, provide an experience for younger

musicians, which we do, and then it [19] allows adults who have played and had playing experience to continue and enjoy that part of the arts in our area.

We're the only such group in our area. Our total geographic area of all of our players covers about 8,000 square miles.

Q. The geographic area?

A. The geographic area. Our players come from a radius of 160 miles. So I don't know if I'm doing the math right. And they travel weekly to rehearsal from these outlying communities.

Q. Can I just interject right now.

I know that you're handling the copy of your deposition you brought with you. We'll go through that at some point.

A. I'm just nervous.

Q. That's fine. I understand. If you want to hold a pen or a bottle or something.

A. Sure.

Q. Okay.

A. I'm not nervous, it's just nervous energy.

Q. Fair enough.

You indicated that the membership of Symphony of the Canyons is amateur musicians?

[20] A. Yes.

Q. Define that term.

A. Amateur? Nobody is paid for their services.

Q. Does that connote a skill level or not?

A. It would. It would denote skill level. I think maybe over the lifetime I have had two people who have ever played professionally, but by and large no one has ever had a career in music.

One exception would be that I do have musicians who teach in the public schools that teach music. So from that standpoint, I guess technically they're professionals, but I do not pay them a salary or a fee, or they have no remuneration from playing in our orchestra.

Q. You described the constituency of Symphony of the Canyons as including high school and middle school students.

A. Yes.

Q. Approximately how many high school students are members?

A. Currently, there would be about 12. That would include maybe two middle students. So two middle, ten high school.

* * *

[37] that overlooks the Rim that facilitates our playing there, and a pretty substantial audience.

Q. Do you have a rough estimate of how many people attend that performance?

A. 350.

Q. You also mentioned Panguitch, Utah.

A. That's a very small community. A couple of players have come from there. That audience, we perform in their high school. That's an audience of 100.

Q. How many times a year do you perform there?

A. Once.

Q. You also mentioned Centennial Park.

A. We started there. There's a branch of the community college, the Mojave Community College there. And we started last year. And they have a community hall. It's a private school. We perform there. Probably 400 there. We'll be performing there this year as well.

Q. And I think the last regular venue that you mentioned was Hurricane.

A. Right.

Q. And –

A. We perform there every other year at [38] their – they have a city fair at the end of the summer, an agricultural fair.

Q. Is that an outdoor performance?

A. That's outdoor.

Q. Do you have a rough estimate how many people typically –

A. That would be 150.

Q. For lack of a better word, what is the management structure of Symphony of the Canyons?

A. I have a board or directors that is made up of – currently there are five community members. They assist with fund-raising and other just day-to-day operations, usually with preparing for a concert with programs.

They have also assisted me. We've begun to utilize them for fund-raising purposes. The orchestra itself, we're a non-profit organization, under the laws of our state. We're tax exempt.

We have a board of five orchestra members. I'm the director. I have a president, I have a librarian. I have a treasurer/secretary, and I have another board member that has no clerical or supervisory – it's for the purpose of our status, tax-exempt status, nonprofit status. We have to [39] have a board of five.

Q. And this board of five orchestra members is distinct from your board of directors?

A. Yes.

Q. Are the board of director members not members of the orchestra?

A. Yes, they are not members of the orchestra.

Q. You indicated that recently you've been using them for fund raising, assisting in fund-raising.

A. Yes.

Q. When did you start doing that?

A. That was one year ago.

Q. Why did you ask the board of directors to begin helping with fund-raising?

A. We need more money to continue maintaining what we're doing as well as improving it.

Q. What are the reasons you need more money now?

A. The cost of operating our orchestra continues to increase.

Q. I was going to ask you about expenses. What expenses are you referring to here?

[40] A. Primarily our expenses are purchasing and renting music. I also reimburse my members the travel from outside areas to rehearsal and concerts. I pay them mileage and miscellaneous other expenses.

Our printing is more expensive. We do an annual fund-raiser, which is where most of our income, operating income is derived from, and that continues

to be more expensive. Our revenue from that stays static, but our expenses continue to go up.

And my salary – is that enough?

Q. I'm just asking if you can list everyone that you can think of.

A. I have – my salary that I get from teaching, I donate back to the orchestra, and that continually shrinks.

Q. You referred to the salary you make from teaching. Where do you teach?

A. This is through the community college, Mojave Community College, which is a network of small campuses in Northern Arizona. And I'm on their staff as an assistant instructor, and they pay me for that. And I in turn put that salary back into the orchestra.

* * *

[65] classical is the remainder of that 75 percent.

Q. Just to clarify for me, is pops/light classical, is that the same as pops?

A. I would – personally I would say yes, that is. The heavy classical music I would put in one category, and everything else, which would include marches, choral music, pop, movie themes I would put in another category if I was to make two categories.

Q. We had been talking about the factors that go into your decision as to perform copyrighted versus public domain works. Are there any other factors?

A. Would you repeat the question?

Q. Sure. We had discussed some of the factors that influenced your decision, or the symphony's decision to perform copyrighted works as opposed to public domain works. Are there any other factors that influence that decision?

A. Copyrighted works tend to be more current. My younger players recognize those works easier than the older public domain works.

So having that kind of a mixture of pieces keeps everybody happy in my orchestra when you're trying to appeal to a 60-year range of [66] tastes. You have to cater to all those tastes.

Q. Are there any other factors that influence that decision-making process?

A. Economic.

Q. What do you mean by "economic"?

A. Public domain pieces tend to be less expensive. Plus I own the rights to perform them at my discretion. Copyrighted laws have more restrictions, or copyrighted works. Often they have to be rented, and I pay per performance.

Q. Turning your attention back to paragraph seven of Exhibit 1, the public domain music in your

library. You state that the library contains primarily pre-20th century works.

A. Yes.

Q. How many pre-20th century public domain works do you estimate your library contains?

A. 100.

Q. What about 20th century public domain works?

A. Ten. That's an estimate.

Q. Can you think of any examples of the 20th century public domain works your library contains?

A. I own a piece by Ravel. And I own a [67] piece by Stravinsky.

Q. Can you think of any others?

A. I could think of others that possibly could qualify, but I don't know if they're copyrighted or in the public domain.

Q. What examples are you thinking of that you're unsure of?

A. I have a Samuel Barber piece. I have a Charles Ives pieces. I have a several Gershwin pieces. That's all I can think of.

Q. What nationality is Samuel Barber?

A. American.

Q. Charles Ives?

A. He's American.

Q. And Gershwin?

A. American.

Q. Do you know whether your library contains any pieces that have been subject to or copyrighted under Section 514?

A. Yes.

Q. Do you know what those pieces are?

A. Peter and the Wolf by Prokofiev.

Q. Any others?

A. No. I don't know.

Q. Do you recall roughly when you [68] acquired your copy of Peter and the Wolf?

A. Twelve years ago.

Q. That would be in the early 90s?

A. Yes.

Q. Do you recall roughly how much you paid for your copy of Peter and the Wolf?

A. Roughly $200.

Q. What did that $200 include?

A. That included the conductor score and a set of parts.

Q. Did the symphony ever perform Peter and the Wolf?

A. No.

Q. Just to clarify, had the symphony ever performed Peter and the Wolf prior to your purchasing the score?

A. No.

Q. And to clarify, that's the only restored copyright work that you own?

A. Would you ask the question again?

Q. That was – I didn't make that clear.

Did you state that Peter and the Wolf is the only restored copyright title that the symphony owns?

A. I'm not sure if there are others. [69] That's the only one I'm definitely aware of.

Q. Let me refer your attention again to paragraph seven of Exhibit 7. The last line of that paragraph states, quote, "Symphony of the Canyons depends vitally on the availability of this music," end quote.

What do you mean by that?

A. Personally, I would like to have the freedom to perform all styles and time periods and composers. I would like that freedom of choice. I do not want to be restricted.

So personally, to maintain my interest, it's important that I have free access. It's important to my musicians, not only for the same reasons, for their personal tastes, but their development.

Each composer and each time period reflects a different style, type, degree of difficulty, level of interest. And for me, as a conductor, allowing my musicians to have a wide range of experiences with different kinds of music is extremely important.

I believe that it will have an effect on my audiences when I'm more restricted in what I can perform.

[70] I believe that I can keep interest in my younger people by exposing them, and in my community they won't be exposed to these kind of works in the public schools. It will only happen as they perform, as they play with me and are exposed to this music. So I believe it affects a number of people in different capacities.

Personally, Russian music is among my favorites. There's a different feel, a different – just that I personally would like to expose my audience and my orchestra to, because it's a favorite of mine, and I do not want to be restricted.

Q. When you refer to Russian music, what specific composers are you thinking of?

A. Prokofiev, Stravinsky, Khachaturian, Rebelivsky, Rachmoninoff, Schriabin.

Q. Now, the symphony is currently preparing for an all-Russian program, you testified earlier?

A. Yes.

Q. And that includes Tchaikovsky and Rimsky Korsikov?

A. Yes.

Q. As well as Prokofiev's work?

[71] A. Yes.

Q. Any other composers that you have on the program for this year?

A. Any other Russian composers?

Q. Yes.

A. I haven't made any decisions yet. There will be some Christmas music. We will do some Tchaiskovsky, but I haven't decided on what piece. He usually ends up somewhere several times a year.

Q. Again, referring to your attention to paragraph seven of Exhibit 1, that same passage, where you state that the symphony, "depends vitally" on the availability of public domain music, is there – to you, is there a difference between the music that's been restored to copyright, and the pre-20th century music that you currently hold in your library?

A. Yes.

Q. What's the difference?

A. The difference musically is tonality. This music from this period of time explores different tonal ranges. There's a lot of rhythmic differences between that and the predecessor.

There's – it's generally programatic in that there's a story to be told. It's music [72] that's recognized by classically-trained musicians, and it's something I need to expose my younger players to.

My [sic] I add something?

Q. Certainly.

A. This music tends to stretch every member of the orchestra. A lot of the older public domain work from the 18th and 19th centuries does not tend to utilize every member of the orchestra equally.

So these works are very good to keep everybody involved. My players, when they travel 160 miles to a rehearsal don't want to come and sit for 40 minutes. They want to play.

So that's another value of this music. It's morale building to my orchestra.

Q. Are there any other ways you can think of that the symphony depends vitally on the availability of this music?

A. I look at what I do as being a bridge between an older generation that was schooled and music was a common part of their education, and a future generation where music won't be available. And I don't

want to lose any pieces of that bridge. I want to bridge everything. Not just the European

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UNITED STATES DISTRICT COURT
DISTRICT OF COLORADO

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LAWRENCE GOLAN RICHARD KAPP, S.A. PUBLISHING COMPANY, INC. d/b/a ESS.A.Y. RECORDINGS, SYMPHONY OF THE CANYONS RON HALL d/b/a FESTIVAL FILMS, JOHN MCDONOUGH d/b/a TIMELESS VIDEO ALTERNATIVES, INTERNATIONAL,

Plaintiffs

VS

JOHN ASHCROFT, IN HIS OFFICIAL CAPACITY AS ATTORNEY GENERAL OF THE UNITED STATES AND MARYBETH PETERS, REGISTER OF COPYRIGHTS, COPYRIGHT OFFICE OF THE UNITED STATES,

Defendants

CIVIL ACTION
NO. 01-B-1854(BMB)
OCTOBER 31, 2004

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Videotaped deposition of RICHARD KAPP, taken pursuant to Notice and in accordance with the Federal Rules of Civil Procedure, at the Residence Inn, Board Room, 22 Segar Street, Danbury, Connecticut, on Sunday, October 31, 2004 at 1:00 p.m., before

LOUISE E BOUTEILLER, LSR (License #SHR270), Licensed Shorthand Reporter and a Notary Public in the State of Connecticut.

* * *

[85] would have dropped in because we love to surprise our audiences with things like that, that can make them ponder, make them think a little bit; but – I don't have a long list at hand but those are examples.

Q Would it help you to refer to the ASCAP catalog, Exhibit B?

A Well, I could add more, I mean, the question is how many more.

Q Well, let me ask you this question, then: Are there any works of Shostakovich that but for the enactment of Section 514 you would have liked to be able to consider for a performance?

A Well, "Symphony No.14" is at the top of that particular list. My – there probably are works and frankly at this particular moment, I'm feeling a little weak and my – my – I'm not as – my memory is not as sharp as it might have otherwise have been. So, I can't think of anything else directly of Shostakovich.

There – there is an adaptation of the Eighth String Quartet for string orchestra by Rudolph Barshai that we had looked at and I'm not sure whether that was restored or not so I would say other than – the 14 was first – first on the list.

Q Okay, why don't we move on, okay?

I'm going to be returning back to ESS.A.Y [86] Recordings now.

Before Section 514 went into effect –

MR. RABINOVITZ: I'm sorry, just to clarify so Mr. Kapp will now be speaking as ESS.A.Y Recordings, is that what you're saying?

MR. LEE: That is – that is correct.

MR. RABINOVITZ: Okay.

BY MR. LEE:

Q Before Section 514 went into effect, did ESS.A.Y Recordings make any recordings of works that were in the public domain but have now been subject to restored copyrights?

A Yes.

Q What works did ESS.A.Y record?

A In 1991, we undertook to record as the first American company to do this – and this is why we set up ESS.A.Y was to be able to do things that the big companies wouldn't do – the complete 15 string quartets of Dmitry Shostakovich, the – the – the most significant personal expression – the quartet is the most intense means of musical expression with the most limited means only four players, no big orchestra, – the most – the most probably significant series of quartets since the Beethoven Quartets 150 years

earlier [87] or 175 years earlier; this was an enormously risky venture for a small American label that to date issued only six CDs, it was a new label. It incurred – it had to incur extensive costs for a small label with nobody but me trying to – and I – we ran it as a label, we ran it to try to survive. The only thing that – the compromise I made was that I didn't take a salary. I had enough income from my CBS, you know, royalties for myself and for my salary as a conductor that I didn't look to benefit personally through salary but I wanted the label to be able to develop and grow. So, we recorded the 15 Shostakovich Quartets in the first half of 1991.

Q Before ESS.A.Y made those recordings, had anyone in the United States made a recording of the complete set of 15 String Quartets of Shostakovich?

A No.

MR. LEE: Okay. I'm having marked as Exhibits J and K the following two documents that say Shostakovich on the top, that's J and K.

(The document referred to was marked as PLAINTIFFS' EXHIBIT J and K for Identification.)

BY MR. LEE:

[88] Okay. Mr. Kapp, when the Court Reporter is through, could you please take a look at Exhibits J and K?

A Right, okay.

Q Do you recognize Exhibits J and K?

A I do.

Q What are they.

A They are two different versions of what is essentially the same – the same – it's not a document, it's the same piece of print. This was the wrapper that folded around the six CDs that comprised the complete recording.

There were six CDs in jewel boxes and you put them together and you would – this would fold over, it's reduced slightly in size, and it would wrap them and then put in shrink wrap and then be able to be sold as a package of six CDs in the stores. You notice that both of them – the reason why they're two by the way if you want clarification, I can give it, why there are 2 different ones –

Q Yes, why don't you go ahead.

A The – when we went to try to reprint after having used this – because we printed in a small quantity, you didn't have high expectations of selling the Shostakovich String Quartets – they lost – they [89] lost the films. They lost – the printer actually lost the films and we had the problem of taking the same type but the picture – there are very few photographs usable photographs of Shostakovich and the people we went to to do the work for us came up with a different photo and – and had to use a different photograph when they re-did it. So, that's why there are two different looks.

Q So, just for clarification purposes on the record, your first jacket was Exhibit – which one?

A "K."

Q "K"?

A The earlier one was K.

Q And the replacement was Exhibit J?

A That's, in fact, that's wrong because I can see from the ESS.A.Y logo the first one was indeed "J," because that had the old logo and the second one is "K".

Q Okay. Now, at the top of each jacket there's a reference to "TIME Magazine." What is that referring to?

A In those days when people still listened to classical music, TIME Magazine had so many times a year, a column in which they reviewed classical CD's and they did 1 at the end of the year when they summarized best CD's in their opinion, in their editor's opinion, best CD's of the year. Our's was selected as one of the best [90] classical recordings of 1991.

Q Congratulations for that.

Back at the time when you made this recording you said in '91, did you make any determination about the copyright status of the 15 quartets?

A We did.

Q What was your final analysis about the copyright status of the quartets?

MR. RABINOVITZ: Objection, calls for legal conclusion.

THE WITNESS: Our analysis, which was based upon really extensive work and legal consultation, was that the first nine quartets were clearly in the public domain and had been so.

Quartets 10 and 11 and 12 were probably in the public domain but there was a claim asserted for them, a copyright claim.

Thirteen, 14 and 15 were clearly copyrighted and had been – because of simultaneous publication in Germany, which Shostakovich did only at the end of his life so that they had – it was simultaneous and [91] the German publication gave them protection in the United States.

So, in our view the last three were protected, 10, 11 and 12 were – we acceded that they were protected but only with a – with a – but contested that we contested, we said we would acknowledge but we would contest in the event that in the future determined that they were in the public domain and one through nine were in the public domain.

MR. LEE: Okay. I'm going to have the Court Reporter mark as Kapp Exhibit L the following document from Richard Kapp to Rosemary Gawelko, dated July 22, 1991.

(The document referred to was marked as PLAINTIFFS' EXHIBIT L for Identification.)

BY MR. LEE:

Q Mr. Kapp, could you please take a few moments to review this document?

A Yes.

Q Do you recognize Exhibit L?

A I do.

Q What is it?

[92] A Exhibit L is a – a memo I wrote – standard memo format for us in those days – to Rosemary Gawelko, who was in charge of licensing for BMG Direct Marketing, that was the BMG Music Club, which had a classical music club in those days and they were – they had an agreement to – they liked ESS.A.Y stuff. They were doing – they liked our stuff and they wanted to produce the Shostakovich Quartets because they had been so well reviewed. So, she wrote and she said what's the situation with mechanical licenses and this was the response.

Q Okay, let's go to the first paragraph. In the second sentence it states, "We have consulted far and wide and as nearly as we can determine the first nine quartets are in the PD."

What does "PD" stand for?

A "Public domain."

Q And is that statement a reflection of what you had just stated before about your final analysis about the status of the quartets?

A Precisely.

Q In the second paragraph, it says, "I am attaching a copy of the letter I sent to Harry Fox."

Who is Harry Fox?

A Harry Fox – the Harry Fox Agency, as its [93] formal title is, is a collection agency engaged as a policeman by the music publishers to police and control their mechanical licenses and to make collections of mechanical license fees.

Publishers don't have staff to do all of this work. Harry Fox is an agency set up with beauracy solely for the purpose of – of – of issuing and policing licenses.

Q I should just back-up for one second and for those who are not familiar with the recording industry, what exactly is a "mechanical license"?

A When a copyrighted work is recorded, the copyright holder – there is what is called "statutory license" because it is Federal Statute – first recording is – is within the domain or the province of the copyright holder, he doesn't have to authorize a first recording of any work. He can say "I never want my work recorded" or "this was the way it was," but once it's been once recorded there is what's called, compulsory mechanical License, which means that the

publisher or copyright holder must issue or – or request that a mechanical license be signed for the work at the statutory rate unless it's otherwise negotiated, which it generally is not, and in order to record copyrighted works one must return the – the – the [94] mechanical license signed to the copyright holder, which is the commitment, the undertaking to acknowledge the existence of copyright and to pay the – the rate of royalty as determined by Congress in whatever session, whatever the statutory rate is; which goes up every year.

Q Is there a mechanical license for works in the public domain?

A No.

Q And in this letter about mechanical licenses, who owned the mechanical – I'll rephrase that, sorry.

Who was asserting a mechanical license for any of the quartets that you had recorded?

A For – I think it was G. Schirmer, if I'm not mistaken, in the U.S that was asserting the – the – the ownership of all 15 of the – the protected ownership of all 15 quartets. I think that's what – what appeared on the Harry – on the Harry Fox statements that they sent us that said here's the claimant, please, you know, sign and return mechanical licenses.

Q Okay. Let's turn to the attachment the second page of Exhibit L.

What is the attachment?

[95] A The attachment was the letter I sent that date to the Harry Fox Agency, which acknowledged receipt of their mechanical licenses for all 15 quartets and informed them that we were signing licenses for – but we were not signing licenses for the first nine.

Q Why were you not signing licenses for the first nine?

A Because we had found that these quartets were either in the public domain either because they were first published in the United States without adequate copyright notice or because original copyright registrations were not renewed in a timely manner and no evidence on file of a copyright renewal.

Q Were Soviet public composers eligible for copyright in the United States at that time?

A To my knowledge no.

Yes, they were if they published in this Country or if they had simultaneous publication in a Western European Country that the U.S. acknowledged by treaty through Barron or through UCC – in the Uniform Copyright Convention – but Soviet protected works we had no reciprocal copyright agreement – bilateral copyright agreement with the Soviet Union.

Q So let me just refer back to Exhibit – Kapp Exhibit F.

[96] Can you take a brief look at the inside jacket, page 3?

THE VIDEOGRAPHER: I have to change the tapes in two minutes.

THE WITNESS: Okay, yes.

BY MR. LEE:

Q So on page 3, what is the lettering at the top of this page?

A Russian.

Q Is this edition of "Peter and the Wolf" a publication in the Soviet Union?

A Well, it – presumably it was. I can't attest to where it was first printed but I would assume it was.

Russian is the primary language with French and English beneath.

Q And if this work were published in the Soviet Union at that time, would it be eligible for copyright in the United States?

MR. RABINOVITZ: Objection, legal conclusion.

THE WITNESS: At which time?

BY MR. LEE:

Q Back in –

A When it was –

[97] Q 1936.

A Yes, it would not have been entitled to legal protection if it were first published in the Soviet Union. It would not be entitled to legal protection in the U.S. to my knowledge.

MR. LEE: Why don't we take a brief break for the videotape.

THE VIDEOGRAPHER: Off the record at 11:12.

(Off the record.)

On the record at 11:14.

MR. LEE: Okay. Mr. Kapp, I'm having the Court Reporter mark as Exhibit M the following document.

(The document referred to was marked as PLAINTIFFS' EXHIBIT M for Identification.)

BY MR. LEE:

Q Mr. Kapp, could you please review this document?

Do you recognize this document?

A I do.

Q What is this document?

A This is a letter I received from Ellen Frank, who is mechanical license manager at G. Schirmer, [98] not – the American publisher but the American

subpublisher for VAAP, which is the Soviet – the – the – it's already Soviet Unions already over for the Russian copyright agency.

Q And that was the G. Schirmer that you had referred to earlier?

A Yes.

Q You had referred to earlier as the – asserter of the restored copyright?

A That's right.

Q Now, what – what does Ms. Frank's response – actually, let me back-up for a second.

So, in paragraph one the letter refers to a letter you sent to Harry Fox on July 19th, 1991. Is that the same letter as an attachment to Exhibit L?

A With – I can't avert that it is because I don't have it in front of me but I assume it is. I wouldn't have written two different communications. It was the same – we probably confirmed to Schirmer that what we were writing to Fox, we probably copied them on it.

Most interesting is that it took them nine months to even respond, which gives you an indication of their – of the problem we presented them with.

Q And what was their response?

[99] A Their response – really interesting here. – they're claiming 14 and 15 because they were

published in '73 and '74. They're claiming 11, 12 and 13 because they have copyrights registered on the basis of simultaneous release that was one of our questions. One to ten she says I have written to VAAP and will notify you, she never did.

So, one to ten basically they were no longer demanding as of April 1992.

Q And those numbers that you're just referring to are numbers of the quartets of –

A Yes.

Q – of Shostakovich?

A Yes, those are the numbers of the quartets by Shostakovich.

Q And if you can see on the – on the attachment to the letter, are there any – let me just back-up for a second.

Let's just focus on the first attachment.

What is this attachment, page 2 of this document, Exhibit M. What is this – attachment?

A This is a standard mechanical license form as issued by Harry Fox, the Harry Fox Agency.

Q And which mechanical license is this for?

A For string quartet – Shostakovich "String [100] Quartet No.11."

Q Okay. The subsequent attached pages in this attachment are mechanical – are they mechanical license for other works of Shostakovich?

A They are mechanical licenses for quartets 12, 13, 14 and 15 respectively.

Q So, there are no mechanical – let me rephrase that question.

Are there any mechanical licenses attached to this for works quartets one through ten?

A No.

Q At any point after you received this letter, did G. Schirmer or anyone else assert a copyright in quartets one through ten before Section 514 was passed?

A No.

Q When you decided to record – let me back-up for a second and ask a follow-up question under preparation.

When you said you had done some investigation by the copyright status, what did that entail?

A It entailed first a search of the available editions, published editions in the United States, of each of the quartets to see if they existed and if so, who the publishers were, were there multiple publishers [101] because in the case of public domain works there might be more than one publisher of a non-copyrighted work.

It then entailed – once we had looked through it and in those days the days before the computer we kept an immense stash of catalogs, we had a file drawer filled with catalogs from every publisher around the world, it was just part of our research – we – it then entailed talking with copyright authorities in the field to try to get their opinions or determinations as to whether our intimations of the – of the status of the works as being in the public domain were, in fact, accurate.

It, also, entailed discussions or a discussion of the copyright status with the members of the Manhattan String Quartets, who were the performers, who had done these for three or four years before we recorded them, had done them in Moscow, had done them in Paris; had done them in New York and had made a career as the American exponents of these works. They, too, had done their copyright searches and our's comformed precisely.

Q Did you ever receive any legal advice regarding the copyright issue for the quartets?

A I did. I – I consulted with – shall I give you the name of attorney?

[102] Q Yes, just the name is fine?

A Or the name of the firm. Ed Shroeder, Lord, Day, Berrit, Smith in New York.

Q So after doing your analysis of the copyright status, how important to your decision as ESS.A.Y

Recordings to make the recordings of the 15 quartets was the public domain status of the works?

A I can say unequivocally that if all the works had been under copyright had been protected, we would not have been able to undertake the recording or we would have chosen not to because it would have been economic suicide.

Q Why would it have been economic suicide?

A Because the mechanical royalties on each CD based upon the duration of the works and the statutory rate would have added approximately $1.50 – $1.25 to a $1.50 to the cost of selling each CD – not to the cost of manufacturing but to the cost of selling each CD.

In Exhibit – one of the things we did in Exhibits J and K you will see, we say special price because of the artistic importance of these works what we did was we sold if you bought all six CDs, we sold six for the price of five, which reduced their cost still further.

So, basically had we – you lost the entire [103] revenue from one of the six CD's, you lost one-sixth of your revenue by selling them, it was mission oriented. It may have been a business company but we thought and I still believe that the idea was to get people to hear these quartets, that's why we made them, get them out there.

Q Sorry about that.

Did ESS.A.Y have any reason to expect that the works of Shostakovich that were in the public domain that you recorded would be removed from the public domain later on?

A No reason whatsoever.

Q Okay. After Section 514 went into effect in 1996 – excuse me, I'll rephrase that question.

After Section 514 went into effect, did it affect ESS.A.Y Recordings subsequent recordings on other works?

A Yes.

Q Have you recorded any other work subject to restored copyright since the law went into effect?

A No.

Q Would it be financially viable for ESS.A.Y Recordings to record a work that has now been subject to restored copyrights?

A In truth, that's a hypothetical that I can't [104] answer definitively. It would certainly factor into our thinking of whether or not we would choose to add the dollar and a half or whatever it is to our cost since we run so close to the bone and if we – and since it's not repertoire unless there's some mission – unless there's some real purpose in releasing it, we would be very unlikely to go back now and take a work by Shostakovich or Prokofiev or any of the Russian composers and record it and to be obligated to mechanical rules, we wouldn't do it: Not in this

market, not in this climate, not in this – in this business where classical recordings are a rare commodity to begin with where the audience is now maybe 15 percent of what it was 15 years ago and the record business, in general, is imploded.

You can't – you wouldn't – you wouldn't incur additional costs to do something that you didn't have to do.

Q Okay. Now, I'm going to turn away from ESS.A.Y Recordings and ask you a few more questions related to your orchestra.

Has your orchestra held performances specifically for children?

A Yes.

Q Did your orchestra ever perform the work "Peter and the Wolf" that we've already discussed?

* * *

PETITIONER'S BRIEF

RECORD
AND
BRIEFS

No. 10-545

In The
Supreme Court of the United States

LAWRENCE GOLAN et al.,

Petitioners,

v.

ERIC H. HOLDER, JR. et al.,

Respondents.

On Writ Of Certiorari To The United States Court Of Appeals For The Tenth Circuit

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QUESTIONS PRESENTED

Section 514 of the Uruguay Round Agreements Act of 1994 granted copyright protection to millions of works that the Copyright Act had placed in the public domain of the United States, where they had remained for years as the common property of all Americans and free to use without restriction. The questions presented here are:

1. Does the Copyright Clause of the United States Constitution prohibit Congress from taking works out of the public domain?

2. Does Section 514 violate the First Amendment of the United States Constitution?

PARTIES TO THE PROCEEDINGS AND CORPORATE DISCLOSURE STATEMENT

Petitioners are Lawrence Golan, Estate of Richard Kapp, S.A. Publishing Co., Inc., d/b/a Ess.A.Y. Recordings, Symphony of the Canyons, Ron Hall, d/b/a Festival Films, and John McDonough, d/b/a Timeless Video Alternatives International. Petitioners certify that they have no parent corporation, nor do any publicly held corporations own 10% or more of their stock. Respondents are Eric H. Holder, Jr., in his official capacity as Attorney General of the United States, and Maria Pallante, in her official capacity as Register of Copyrights.

TABLE OF CONTENTS

	Page
QUESTIONS PRESENTED	i
PARTIES TO THE PROCEEDINGS AND CORPORATE DISCLOSURE STATEMENT	ii
TABLE OF AUTHORITIES	vi
BRIEF FOR THE PETITIONERS	1
OPINIONS BELOW	1
JURISDICTION	1
RELEVANT CONSTITUTIONAL AND STATUTORY PROVISIONS	2
STATEMENT OF THE CASE	2
SUMMARY OF THE ARGUMENT	14
ARGUMENT	18
I. Section 514 Violates The Specific Limitations Of The Copyright Clause	19
A. The Text Of The Copyright Clause Shows Congress Cannot Remove Works From The Public Domain	20
B. The Framers Intended To Create A Permanent And Stable Public Domain From Which Works Could Not Be Removed	25
C. Two Centuries Of Unbroken Practice Confirm That Congress Cannot Remove Works From The Public Domain	31

TABLE OF CONTENTS – Continued

Page

II. Section 514 Violates The First Amendment... 41

A. Section 514 Is Subject To First Amendment Scrutiny Because It Alters The Traditional Contours Of Copyright Protection..... 42

B. Section 514 Fails Intermediate Scrutiny And Is Substantially Overbroad.... 47

1. The Interest In Promoting The Rights Of U.S. Authors Abroad Cannot Justify Section 514..... 48

2. The Government's Interest In Complying With The Berne Convention Cannot Justify Section 514..... 51

a. There Was No Substantial Evidence Of Any Harm 52

b. Section 514 Is Not Narrowly Tailored Because The United States Could Have Complied With Berne While Burdening Substantially Less Speech 54

i. Berne Permits Negotiated Exceptions To Restoration Requirements 54

ii. Berne Permits Complete And Permanent Protection For Reliance Parties Like Petitioners 56

TABLE OF CONTENTS – Continued

Page

iii. **Berne Permits The United States To Provide Shorter Terms Of Protection For Many Restored Works, And More Protection For Existing Copies Of Restored Works** 59

III. **Congress Cannot Avoid The Explicit Restrictions Of The Copyright Clause Or The First Amendment By Invoking Other Powers** 62

CONCLUSION 65

TABLE OF AUTHORITIES

Page

CASES

Bantam Books, Inc. v. Sullivan, 372 U.S. 58 (1963) 45

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TABLE OF AUTHORITIES – Continued

Page

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TABLE OF AUTHORITIES – Continued

Page

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TABLE OF AUTHORITIES – Continued

Page

CONSTITUTIONAL PROVISIONS

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TABLE OF AUTHORITIES – Continued

Page

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TABLE OF AUTHORITIES – Continued

Page

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TABLE OF AUTHORITIES – Continued

Page

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TABLE OF AUTHORITIES – Continued

Page

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Page

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TABLE OF AUTHORITIES – Continued

Page

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BRIEF FOR THE PETITIONERS

Petitioners respectfully request that this Court reverse the judgment of the United States Court of Appeals for the Tenth Circuit.

OPINIONS BELOW

The district court's initial decision dismissing petitioners' claims (Pet. App. 10-52) is unreported and available at 2005 WL 914754. The court of appeals' initial decision affirming in part and reversing in part (Pet. App. 70-109) is reported at 501 F.3d 1179. The district court's decision on remand granting summary judgment to petitioners on First Amendment grounds (Pet. App. 43-69) is reported at 611 F. Supp. 2d 1165. The decision of the court of appeals reversing (Pet. App. 1-42) is reported at 609 F.3d 1076.

JURISDICTION

The judgment of the United States Court of Appeals for the Tenth Circuit was issued on June 21, 2010. Petitioners obtained an extension of time within which to file a petition for writ of certiorari to October 20, 2010, and filed a timely petition on that date. This Court granted certiorari on March 7, 2011, 131 S. Ct. 1600 (2011), and has jurisdiction pursuant to 28 U.S.C. § 1254(1).

RELEVANT CONSTITUTIONAL AND STATUTORY PROVISIONS

The Copyright Clause gives Congress the power to "promote the Progress of Science and useful Arts, by securing for limited Times to Authors and Inventors the exclusive Right to their respective Writings and Discoveries." U.S. CONST. art. I, § 8, cl. 8.

The First Amendment provides, in pertinent part, that "Congress shall make no law . . . abridging the freedom of speech." U.S. Const. amend I.

The pertinent provisions of the Copyright Act, 17 U.S.C. §§ 104A, 109(a) (codifying Sec. 514 of Uruguay Round Agreements Act (URAA)), are reprinted in the petition appendix at 173-90.

STATEMENT OF THE CASE

In 1994, Congress did something unique in the history of American copyright law. After expressing doubts about its constitutional authority to do so, Congress granted copyright protection to a large body of foreign works that the Copyright Act had placed in the public domain, where most had remained for decades. As a result, petitioners lost important speech and expression rights central to their professions, as well as the expected return on significant investments. The Tenth Circuit held the statute was within Congress's powers under Article I of the Constitution and did not violate the First Amendment.

1. Article I of the Constitution gives Congress the power to grant authors copyrights, but only for "limited [t]imes," and only to "promote the [p]rogress" of knowledge and learning. U.S. CONST. art. I, § 8, cl. 8. The careful balance it strikes reflects the fact that providing exclusive rights encourages the creation of new works, but also inhibits the progress of knowledge and learning by restricting access to existing works. Congress may therefore set a limited time of protection, but once the selected period expires, the work enters the public domain. At that point, every American is free to use the work without restriction, spread its contents, and use it in the creation of still other works.

For two hundred years, copyright legislation was consistent with a simple command: what enters the public domain remains in the public domain. In the first Copyright Act of 1790, Congress created the public domain of the United States by replacing a patchwork of state law protection with a uniform federal system that placed works in the public domain quickly and reliably. *See* Copyright Act of 1790, ch. 15, § 1, 1 Stat. 124 ("1790 Act"). Under the 1790 Act, works by foreign authors entered the public domain immediately. *See id.* § 5, 1 Stat. at 125. U.S. "authors of any map, chart, book or books" were eligible for an initial term of fourteen years upon compliance with certain formalities such as registration, public notice and deposit. *Id.* §§ 1, 3, 4, 1 Stat. at 124-25. An additional term of fourteen years was available upon compliance with additional

formalities. *See id.* § 1, 1 Stat. at 124. Many of these formalities were retained until 1976, and some until 1988. As a result, the public domain grew based on a combination of term limitations and eligibility requirements.

From 1790 to 1994, Congress exercised its power to expand the duration and scope of copyright protection no fewer than nineteen times. On each occasion, it left the public domain completely intact. *See, e.g.*, Copyright Act of 1976, Pub. L. No. 94-553, § 103, 90 Stat. 2541, 2599 ("This Act does not provide copyright protection for any work that goes into the public domain before January 1, 1978."); Copyright Act of 1909, Pub. L. No. 60-349, § 7, 35 Stat. 1075, 1077 ("no copyright shall subsist in the original text of any work which is in the public domain").

This time-honored tradition of preserving and expanding the public domain makes the products of learning, knowledge and creativity widely available and free to all for any purpose. It also helps expand that body of knowledge by providing the building blocks of future creativity in music, art, entertainment and literature. The public domain promotes the diffusion of knowledge, and provides the raw material to expand it.

2. Congress recognized this tradition and followed it in 1988 when it joined the Berne Convention for the Protection of Literary and Artistic Works ("Berne Convention"). S. Treaty Doc. No. 99-27, 1161 U.N.T.S. 3 (last revised on July 24, 1971). The Berne

Convention was first signed in 1886, but the United States declined to join for more than one hundred years. Instead, the United States secured widespread foreign protection for U.S. authors through the Universal Copyright Convention ("UCC") and bilateral copyright agreements. *See* 4 M. Nimmer & D. Nimmer, *Nimmer on Copyright* § 17.01[B][2] (2010).

The Berne Convention sets minimum standards of copyright protection, and provides authors with automatic protection in each member nation. *See* Berne Conv. Arts. 2-19. It prohibits members from conditioning protection on compliance with formalities. *See id.* Art. 5(2). The Convention also contains a provision that requires members to grant copyright protection to works that "have not yet fallen into the public domain in the country of origin [*i.e.*, generally where the work was first published] through the expiry of the term of protection." *Id.* Art. 18(1). But it empowers every member to modify this requirement through "special conventions" and to otherwise "determine, each in so far as it is concerned, the conditions of application of this principle." *Id.* Art. 18(3).

As Congress considered joining the Berne Convention, a major subject of its deliberations was whether Berne required the United States to grant protection to any foreign works in the public domain of the United States, and whether the Constitution permitted Congress to do so. *See* H.R. REP. NO. 100-609, at 51-52 (1988). The leading copyright treatise at the time stated "neither the copyright clause nor the First Amendment would permit the granting of

copyright to works which have theretofore entered the public domain." 1 M. Nimmer, *Nimmer on Copyright*, § 105[A] (1984). In addition, Members of Congress, the Register of Copyrights, an ad hoc working group of experts convened by the State Department, and other commentators believed that providing retroactive protection would raise serious constitutional concerns. *See* H.R. REP. NO. 100-609, at 51 (1988); *The Berne Convention: Hearings on S. 1301 and S. 1971 Before the Subcomm. on Patents, Copyrights and Trademarks of the S. Comm. on the Judiciary*, 100th Cong. 150 (1988) (statement of Ralph Oman, Register of Copyrights and Assistant Librarian for Copyright Services); *Final Report of the Ad Hoc Working Group on U.S. Adherence to the Berne Convention*, *reprinted in* 10 COLUM.-VLA J.L. & ARTS 513, 590-91 & nn.15-16 (1986).

After extensive consideration, Congress decided the United States would join the Convention, but would not grant any protection to works in its public domain. Congress adopted the Berne Convention Implementation Act ("BCIA"), which changed U.S. copyright law by easing restrictions on foreign authorship and aligning U.S. law with Berne's minimum standards. *See* Berne Convention Implementation Act of 1988, Pub. L. No. 100-568, 102 Stat. 2853. The BCIA did not remove any works from the public domain of the United States. *See* BCIA § 12 ("Title 17, United States Code, as amended by this Act, does not provide copyright protection for any work that is in the public domain in the United States."). Congress

determined the BCIA satisfied U.S. obligations under Berne based on the express terms of Article 18 and the specific discretion it provides. *See* H.R. REP. NO. 100-609, at 51-52; BCIA § 2(3) (BCIA "satisf[ies] the obligations of the United States in adhering to the Berne Convention").

After the United States joined Berne in 1988, new works by U.S. authors received full protection in every member nation. *See, e.g.*, Berne Conv. Art. 2(6); BCIA § 2(3). As a result of Congress's decision not to provide retroactive protection to public domain works, some nations such as Thailand and Russia refused to grant protection for some existing U.S. works that were in the public domains of those nations. *See, e.g., General Agreement on Tariffs and Trade (GATT): Intellectual Property Provisions: Joint Hearing Before the Subcomm. on Intellectual Property and Judicial Administration of the H. Comm. on the Judiciary and the Subcomm. on Patents, Copyrights, and Trademarks of the S. Comm. on the Judiciary on H.R. 4894 and S. 2368*, 103d Cong. 136-37 (1994) ("*Joint House and Senate Comm. Hearings on the URAA*") (statement of Ira S. Shapiro, General Counsel, Office of the U.S. Trade Representative).

A variety of copyright owners urged Congress to reconsider the question of granting copyright protection to foreign works in the public domain of the United States. *See id.* 244 (statement of Eric H. Smith, Executive Director and General Counsel, International Intellectual Property Alliance), 256 (statement of Jack Valenti, President and Chief Executive

Officer, Motion Picture Association of America), and 291 (statement of Jason S. Berman, Chairman and Chief Executive Officer, Recording Industry Association of America). They expressed the hope that if the United States granted such protection to foreign works, foreign nations would reciprocate by granting protection to certain U.S. works in their public domains. *See id.*

3. In 1994, Congress reversed course and enacted Section 514 of the URAA in connection with implementing the Uruguay Round of negotiations on the General Agreement on Tariffs and Trade (GATT), and the Agreement on Trade-Related Aspects of Intellectual Property Rights (TRIPS). *See* Pub. L. No. 103-465, § 514, 108 Stat. 4809, 4976 (1994) (amending 17 U.S.C. §§ 104A & 109), Pet. App. 173-90.

Section 514 grants automatic protection to a large body of existing foreign works that were in the public domain of the United States (many for decades) and sets the term as "the remainder of the term of copyright that the work would otherwise have been granted in the United States if the work never entered the public domain in the United States." 17 U.S.C. § 104A(a)(1), (h)(6), Pet. App. 173, 183-84. Section 514 also places substantial restrictions on the "first sale" doctrine by restricting the right to sell, or otherwise distribute, copies of restored works that were lawfully made when the work was in the public

domain. *See* 17 U.S.C. § 109(a) & (b)(1)(A), Pet. App. 186-87.[1]

Section 514 provides one year of temporary protection for "reliance parties" who invested in using the newly-restored works before they were removed from the public domain. *Id.* §§ 104A(d)(2)(A)-(B), 109(a), Pet. App. 174-76, 186. After that period, authors of derivative works based on newly-restored works are required to pay compensation if they wish to continue using the derivative works they created using material that was once in the public domain. *Id.* § 104A(d)(3), Pet. App. 176-77.

While Section 514 grants substantial protection to foreign authors, it confers no rights on U.S. authors, and provides no additional protection for any newly-created works. Pet. App. 173-90.

Unlike the BCIA, the URAA was drafted almost entirely by the Office of the U.S. Trade Representative and submitted to Congress under "fast track"

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[1] Section 514's provisions were codified as amendments to 17 U.S.C. §§ 104A and 109. The original version of Section 104A was enacted one year before and restored a limited and designated set of Mexican and Canadian copyrights in motion pictures as part of NAFTA. *See* North American Free Trade Agreement Implementation Act (NAFTA) of December 8, 1993, Pub. L. No. 103-182, § 334, 107 Stat. 2057, 2115. Because the original provisions of Section 104A had not taken effect by the time the URAA was enacted, *see id.*, Section 104A's current restoration provisions implement both NAFTA and URAA restoration.

procedures that precluded any amendment. *See* S. REP. NO. 103-412, at 4 (1994); H.R. REP. NO. 103-826, at 10-12, 19 (1994). The 245-page URAA addressed a wide array of trade-related questions in addition to copyright restoration: tariff modification, anti-dumping regulations, trade subsidies, textile importation, food safety, and taxes. The Act was sent to Congress on September 27, 1994, approved by both Houses of Congress, and signed by the President on December 8, 1994. *See* Uruguay Round Agreements Act, Pub. L. No. 103-465, § 101, 108 Stat. 4809, 4814 (1994).

The immediate effect of Section 514 was to remove a vast number of foreign works from the public domain. The former Register of Copyrights stated that the affected works "probably number in the millions." Marybeth Peters, *The Year in Review: Accomplishments and Objectives of the U.S. Copyright Office*, 7 FORDHAM INTELL. PROP. MEDIA & ENT. L.J. 25, 31 (1996). The precise number will never be known because registration of the restored works is voluntary. *See* 17 U.S.C. § 104A(c), Pet. App. 173-74.

4. Petitioners are orchestra conductors, educators, performers, film archivists, and motion picture distributors who depend upon the public domain for their livelihood. For many years, petitioners relied upon the free availability of such works in their own artistic performance and distribution. Prior to the enactment of Section 514, petitioners Lawrence Golan, Symphony of the Canyons, and the orchestra of Richard Kapp (since deceased) had the unrestricted

right to perform Prokofiev's *Classical Symphony* and *Peter and the Wolf*; Shostakovich's *Symphony 14*, *Cello Concerto* (Op. 107) and *Piano Concerto* (Op. 35); and Stravinsky's *Petrushka*. Section 514 now forbids them from performing these works publicly without permission, even if they have already acquired the sheet music. J.A. 22-27 (Declaration of Lawrence Golan); J.A. 35-40 (Declaration of Richard Kapp); J.A. 51-53 (Declaration of Kortney Stirland). It also makes it infeasible for Golan to teach the standard repertoire of classical music to his students at the University of Denver. J.A. 22-23, 25-26 (Declaration of Lawrence Golan).

Section 514 also destroys substantial business investments by petitioners. It makes it infeasible for S.A. Publishing to distribute its recording of Shostakovich's *String Quartets*, which was recorded at substantial expense and named by Time Magazine in 1991 as one of the best recordings in classical music. J.A. 40-43 (Declaration of Richard Kapp). It also prohibits Ron Hall and John McDonough from distributing hundreds of films they owned and distributed prior to Section 514's enactment. J.A. 31-32 (Declaration of Ron Hall); J.A. 46-48 (Declaration of John McDonough).

5. In 2001, petitioners filed this suit alleging that Section 514 exceeds Congress's power under the Copyright Clause and violates their First Amendment right to free speech and expression. The district court granted the government summary judgment on both claims and dismissed the suit. Pet. App. 110-52. On

petitioners' appeal, the Tenth Circuit affirmed in part, vacated in part, and remanded. *Id.* 70-109. It held Section 514 fell within Congress's power under the Copyright Clause because complying with the Berne Convention "secures copyright protections for American works abroad." *Id.* 85.

But the court of appeals vacated the dismissal of petitioners' First Amendment claim and remanded the case for further consideration. Applying this Court's decision in *Eldred v. Ashcroft*, 537 U.S. 186 (2003), the court of appeals held that Section 514 is subject to First Amendment scrutiny because granting copyright protection to works in the public domain represents a substantial departure from the traditional contours of copyright protection, Pet. App. 86-98, and restricts speech "near the core of the First Amendment." *Id.* 99-100. The court remanded the case to determine whether Section 514 satisfies First Amendment scrutiny. *Id.* 107-09.

On remand, the district court granted summary judgment for petitioners. It held that Section 514 is subject to intermediate scrutiny and violates the First Amendment because "Congress could have complied with the [Berne] Convention without interfering with [petitioners'] protected speech." Pet. App. 68. The district court also held the government presented no evidence sufficient to show that suppressing the speech of reliance parties would generate any additional benefits to U.S. authors, and found that there

was no substantial interest in providing foreign authors with protections unavailable to U.S. authors. *See id.* 64-65, 67-68.

On appeal, the Tenth Circuit reversed. Pet. App. 1-42. It agreed that Section 514 is subject to intermediate scrutiny but concluded that Congress has an important interest in protecting the rights of U.S. copyright owners abroad. It found sufficient evidence to conclude that restoring copyrights for existing foreign works in the United States might encourage foreign countries to restore protection for existing U.S. works abroad. *Id.* 13-29. The Tenth Circuit acknowledged that Congress might have been able to comply with the Berne Convention while still providing full protection to petitioners' speech interests. *Id.* 31-32. Yet it concluded the actual requirements of Berne were "beside the point" because Section 514 was supported by the broader interest of pursuing enhanced foreign protection for the existing works of U.S. authors. *See id.* 32.

The Tenth Circuit therefore upheld Section 514 based not on the need to comply with the Berne Convention or any public benefits Berne compliance might create, but on the premise that the government has an important interest in giving away the public domain to foreign authors in the hope that might create private economic benefits for U.S. authors from existing works.

6. This Court granted certiorari to determine whether Section 514 violates the Copyright Clause or the First Amendment. 131 S. Ct. 1600 (2011).

SUMMARY OF THE ARGUMENT

Section 514 violates the restrictions of the Copyright Clause by removing works from the public domain, and it violates the First Amendment by imposing speech burdens on petitioners and the public that are unnecessary to advance any important government interest.

In *Eldred v. Ashcroft*, 537 U.S. 186 (2003), this Court affirmed Congress's power to extend the terms of existing copyrights. The Court relied principally on an uninterrupted tradition of two hundred years of congressional amendments to the copyright laws, which had consistently extended the terms of copyright protection and applied those extensions to existing copyrights. The Court looked to that tradition to identify the limits of Congress's power under the Copyright Clause. It looked to that same tradition to define the "traditional contours of copyright protection" and determine whether the term extension statute before the Court was subject to First Amendment scrutiny.

History and tradition tell a different story here. In removing a vast number of works from the public domain of the United States, Section 514 marks a startling and dramatic departure from the traditions

of U.S. copyright law. Congress created the public domain when it enacted the first Copyright Act in 1790. It amended the Copyright Act nineteen times over the next two hundred years to expand both the duration and scope of copyright protection. Yet each expansion left the public domain completely intact. Indeed, because Congress recognized that the works could not receive the benefits of future term extensions upon entering the public domain, several amendments served no *other* purpose than to ensure that the covered works did not enter the public domain.

Congress's unbroken respect for the integrity of the public domain was no accident. It reflected the specific limitations imposed on Congress's legislative power by Article I. The Copyright Clause authorizes Congress to enact laws that grant copyright protection only for "limited [t]imes," and only to "promote the [p]rogress" of knowledge and learning. Congress may determine the precise length of copyright protection, but that choice must form a boundary. Congress may leave the work unprotected and set the term at zero years, or it may specify a lengthy term. It may even extend the term before it expires. But when the "limit[ ]" of the selected period expires, the work enters the public domain, and the public must enjoy the right to perform, publish, copy, distribute and teach it free of restrictions.

Removing works from the public domain violates the "limited [t]imes" restriction by turning a fixed and predictable period into one that can be reset or

resurrected at any time, even after it expires. The entry of a work into the public domain must mark the end of protection, not an intermission. Otherwise, the limit is meaningless. There is no way for members of the public to know if the limit has been reached, and no way to rely on it. That uncertainty undermines the very "progress" Congress is required to promote. By guaranteeing unrestricted access to every work at the end of the period Congress selects, the Copyright Clause promises the unrestricted spread of existing works, provides the public with the building blocks of future creativity, and fuels the engine of free expression. Removing works from the public domain undermines these goals by restricting the diffusion of works that were once allowed to circulate freely, snatches back the building blocks of creativity, and disrupts the settled expectations of those who exercised their right to use the contents of the public domain.

Even if the Copyright Clause permits Congress to remove works from the public domain in some circumstances, Section 514 violates the First Amendment. Unlike the term extension statute at issue in *Eldred*, Section 514 is subject to First Amendment scrutiny because it is far outside the "traditional contours of copyright protection." This Court has recognized the "federal right to copy and use" material in the public domain. *Dastar Corp. v. Twentieth Century Fox Film Corp.*, 539 U.S. 23, 34 (2003). Congress respected that right consistently for two hundred years, in large part because it ensures that

copyright law will ultimately promote – rather than inhibit – basic speech and expression values. Section 514 dismantles that protection and places substantial burdens on core speech and expression rights that once belonged to petitioners and other members of the American public. Like many others, petitioners relied on the unrestricted availability of music and films in performing, teaching, recording, restoring and distributing public domain works. In each case, they invested substantial time, effort and money doing so. Section 514 eliminated the speech and expression rights central to their professions, and expropriated the investment they made.

The speech burdens Section 514 imposes on petitioners and the public are not justified by any important government interest. Congress removed foreign works from the public domain of the United States in the hope that some foreign nations would reciprocate and grant protection to existing works of U.S. authors that were in the public domains of those countries. But there is no legitimate interest in giving away public speech rights in the hope of creating private economic windfalls. Nor was there any substantial evidence to conclude the government's give-away would be reciprocated, or to what degree, and to what specific benefit.

While the government asserts an interest in complying with the Berne Convention, the United States joined Berne in 1988, and Congress specifically found that Article 18 permitted the United States to do so without removing any works from its public domain.

Even if the United States was not then fully compliant with Berne, Section 514 imposes speech burdens far greater than anything Berne demands. Berne provides specific mechanisms by which the United States could have assured the continued integrity of its public domain. The plain terms of Berne also demonstrate that Congress did not have to impose *any* burden on the speech and expression interests of reliance parties like petitioners; moreover, Congress could have imposed a substantially lower burden on the public at large by limiting the copyright term for restored works to the period of the nation in which the work was originally authored.

Section 514 privatized public speech rights, and did so unnecessarily. It violates the Copyright Clause and the First Amendment. The judgment below should be reversed.

ARGUMENT

Section 514 is unconstitutional for two reasons. First, it violates the specific limitations on Congress's power imposed by the Copyright Clause. Second, even if authorized by the Copyright Clause, Section 514 violates the First Amendment by revoking expressive freedoms that petitioners and the public enjoyed for decades.

I. Section 514 Violates The Specific Limitations Of The Copyright Clause.

This Court last considered the meaning of the Copyright Clause in *Eldred v. Ashcroft*, 537 U.S. 186 (2003). In that case, the Court held the Copyright Clause permits Congress to extend the term of existing copyrights. *See id.* at 199. The Court recognized Congress had extended the term of existing copyrights consistently for two hundred years. *See id.* at 200-04, 213-14. The Court concluded this practice did not violate the Copyright Clause's "limited [t]imes" restriction because extended copyrights were still "limited" by a specific date upon which they would expire, and the constitutionality of term extension for existing copyrights was supported by two hundred years of unbroken congressional practice. *See id.*

Here, the text and history of the Copyright Clause show Congress has no power to grant copyright protection to works in the public domain, and that limit is confirmed by Congress's application of its copyright power over two centuries. Congress amended the Copyright Act nineteen times from 1802 to 1988, but those amendments never extended copyright to works in the public domain. *See Eldred*, 537 U.S. at 213 (previous term extensions applied to "works not yet in the public domain"). To the contrary, Congress amended the copyright statutes nine times in twelve years to prevent works from entering the public domain precisely because it recognized it could not grant protection to those works once they entered the public domain.

The government itself has acknowledged the difference between extending the term of existing copyrights and removing works from the public domain. At the oral argument in *Eldred*, Justice Souter asked the Solicitor General whether the Copyright Clause would permit Congress to grant an extension that applied to a "copyright that expired yesterday." Trans. of Oral Arg. 44, *Eldred v. Ashcroft*, 537 U.S. 186 (Oct. 9, 2002), *available at* http://bit.ly/lcdn2F. The Solicitor General acknowledged, "there is a bright line there" because at that point the work "has already gone into the public domain. . . . other individuals or companies or entities may then have acquired an interest in, or rights to, or be involved in disseminating" the work. *Id.*

The text and history of the Copyright Clause command a bright line, and two hundred years of Congressional practice confirm it: Congress has no power to remove works from the public domain.

A. The Text Of The Copyright Clause Shows Congress Cannot Remove Works From The Public Domain.

The Copyright Clause defines Congress's copyright power. *See Eldred*, 537 U.S. at 212; *Feist Publ'ns, Inc. v. Rural Tel. Servs. Co., Inc.*, 499 U.S. 340, 346 (1991). It is "both a grant of power and a limitation." *Graham v. John Deere Co.*, 383 U.S. 1, 5 (1966). *See also Eldred*, 537 U.S. at 212; *Burrow-Giles*

Lithographic Co. v. Sarony, 111 U.S. 53, 58 (1884). It states:

> Congress shall have the power . . . to promote the Progress of Science and useful Arts, by securing for limited Times to Authors and Inventors the exclusive Right to their respective Writings and Discoveries.

U.S. CONST. art. I, § 8, cl. 8.

At the time of the Framing, "limited" "meant what it means today: 'confine[d] within certain bounds,' 'restrain[ed],' or 'circumscribe[d].'" *Eldred*, 537 U.S. at 199 (*quoting* Samuel Johnson, *Dictionary of the English Language* (7th ed. 1785)). "Progress" meant the advancement of knowledge, as well as its spread. *See* Samuel Johnson, *Dictionary of the English Language* (4th ed. 1775) (defining progress as "advancement in knowledge" and "[r]emoval from one place to another"); *Webster's American Dictionary of the English Language* (1828) (reprinted 2010) (progress includes both an "[a]dvance in knowledge" and "passage from place to place"). "Science" referred to knowledge and learning. *See id.*; Arthur H. Seidel, *The Constitution and a Standard of Patentability*, 48 J. PAT. OFF. SOC'Y 5, 11-12 (1966). The "progress" Congress must "promote" is therefore the creation and spread of knowledge and learning.

In setting these textual limitations, the Copyright Clause announces a "federal policy" of "allowing free access to copy whatever the federal patent and copyright laws leave in the public domain." *Compco*

Corp. v. Day-Brite Lighting, Inc., 376 U.S. 234, 237 (1964). Once a work is placed in the public domain, every member of the public acquires the "federal right to 'copy and use'" it without restriction. *Dastar*, 539 U.S. at 34 (*quoting Bonito Boats, Inc. v. Thunder Craft Boats, Inc.*, 489 U.S. 141, 165 (1989)); *see also Compco*, 376 U.S. at 237. Upon entering the public domain, a work must remain there. *See Graham*, 383 U.S. at 6 ("Congress may not authorize the issuance of patents whose effects are to remove existent knowledge from the public domain, or to restrict free access to materials already available.").[2]

Removing works from the public domain violates the "limited [t]imes" restriction by turning a fixed and predictable period into one that can be reset or resurrected at anytime, even after it expires. This Court in *Eldred* held that an extended copyright term was still "limited" because it had a definite outer boundary. 537 U.S. at 199. Section 514 is radically different. It destroys the boundary *Eldred* identified and renders it meaningless. Prior to Section 514, a work received a specific term of protection (sometimes expressly set to zero), entered the public domain at the end of that period, and remained there. The time limitation was predictable, meaningful, reliable, and

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[2] The Copyright Clause further reinforces the constitutional significance of the public domain by its originality requirement, which only permits the protection of new and original expression that adds to the existing store of knowledge. *See Feist*, 499 U.S. at 346.

permanent. If Congress may, as it did here, place works into the public domain only to reclaim them decades later, the limit placed on a copyright term at any given moment is meaningless.

A limit that can be reset even after it has been passed does not "restrain[ ]" or "confine[ ]" as the Copyright Clause requires. *Eldred*, 537 U.S. at 199. If an unprotected work may become protected again decades after entering the public domain, the boundary between protected works and unprotected works is erased. The entry of a work into the public domain must mark the end of protection, not an intermission. Otherwise, there is no way for members of the public to know if the limit has been reached, and no way to rely on it. That is precisely the problem here: the limited time Congress initially selected turned out not to be the limit after all, and petitioners' "federal right to copy and use" material in the public domain simply evaporated. *See Dastar*, 539 U.S. at 34.[3]

Granting protection to public domain works not only violates the "limited [t]imes" restriction, it also impedes the very "progress" Congress is required to

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[3] The difference between extending the term of existing copyrights and resurrecting copyrights in works that were already part of the public domain parallels a distinction this Court has drawn in other contexts. This Court has recognized the legislature may extend the statute of limitations for criminal offenses without violating the Ex Post Facto Clause of the Constitution, but it cannot revive time-barred prosecutions once the statute of limitations has run. *See Stogner v. California*, 539 U.S. 607, 617-21 (2003).

promote. *See Graham*, 383 U.S. at 6. The free availability of works in the public domain fuels the engine of free expression by providing unrestricted access to the building blocks of future creativity. *See Sony Corp. of Am. v. Universal City Studios, Inc.*, 464 U.S. 417, 429 (1984); Pet. App. 76-77. The incentive to invest in activities that rely on the contents of the public domain, or to use those contents as ingredients for new creations, is destroyed if the fruits of that effort can be confiscated at any time.

A statute that does no more than grant protection for works that were long part of the public domain cannot "promote the [p]rogress of [s]cience." U.S. CONST. art. I, § 8, cl. 8. It does not spur the creation of any new works. Instead, it inhibits the spread of existing works, reduces the universe of material available to the public for further creation, and threatens to destroy the incentive to use even those works that remain unprotected. It impedes both the creation of knowledge and its spread.

The limitations of the Copyright Clause exist to ensure copyright legislation fulfills its distinctly public purpose. *See Sony*, 464 U.S. at 429, (public purpose of copyright is to spur creative activity and provide free access upon conclusion of limited term); *Graham*, 383 U.S. at 5-6; *Fox Film Corp. v. Doyal*, 286 U.S. 123, 127 (1932). To fulfill that purpose, the boundaries of protection must be clear, stable and reliable. *Cf. Fogerty v. Fantasy, Inc.*, 510 U.S. 517, 527 (1994) ("Because copyright law ultimately serves the purpose of enriching the general public through

access to creative works, it is peculiarly important that the boundaries of copyright law be demarcated as clearly as possible."); *Festo Corp. v. Shoketsu Kinzoku Kogyo Kabushiki Co., Ltd.*, 535 U.S. 722, 731 (2002) (boundaries of intellectual property monopoly must be clear: "[a] patent holder should know what he owns, and the public should know what he does not").

By removing millions of works from the public domain, Section 514 erased those boundaries. It treated the termination of each work's "limited [t]ime" as a potential beginning, not an end. In so doing, it violated the plain and sensible meaning of the "limited [t]imes" restriction, impaired the reliance interests that were based on the clear boundary that restriction commands, and impeded progress itself.

B. The Framers Intended To Create A Permanent And Stable Public Domain From Which Works Could Not Be Removed.

The Framers of the Constitution did not enact the Copyright Clause in a vacuum. That provision was written against the backdrop of English experience, which shaped the Clause itself. *See Graham*, 383 U.S. at 5-6; Edward C. Walterscheid, *The Nature of the Intellectual Property Clause: A Study in Historical Perspective* 13, 32 (2002). That history teaches that the Framers intended to create a stable and

permanent public domain from which works could not be removed.

From the middle of the sixteenth century, a series of decrees by the Star Chamber and acts of Parliament provided members of the Stationers Company with a monopoly over nearly every aspect of printing and publishing in England. *See* Lyman Ray Patterson, *Copyright in Historical Perspective* 115-42 (1968). Under the Licensing Act of 1662 and its predecessors, the Stationers Company and its members held perpetual copyrights in almost every book published. *See id.* Under this monopoly system, books were expensive and difficult to acquire. *See* William St. Clair, *The Reading Nation in the Romantic Period* 99-102 (2004). The diffusion of knowledge was substantially impeded.

In 1710, the Statute of Anne dismantled that system and limited copyrights on existing books to twenty-one years. Statute of Anne, 1710, 8 Ann., c.19 (Eng.); *See* Tyler T. Ochoa & Mark Rose, *The Anti-Monopoly Origins of the Patent & Copyright Clause*, 49 J. COPYRIGHT SOC'Y U.S.A. 675, 680-81 (2002). New books received shorter terms of fourteen years. *Id.* By limiting what had otherwise been a perpetual monopoly, the Statute of Anne created the public domain of England. As copyright protection expired under these limits, a wide array of books became available in greater quantities and at substantially lower prices. *See* St. Clair, *supra*, at 114, 118-19.

But the battle between copyright owners and the public interest in access to knowledge was not over. As statutory protection for existing works under the Statute of Anne expired, publishers asked the English courts to reinstate their rights by recognizing common law copyrights. *See* Patterson, *supra*, at 153-68. In 1769, the King's Bench held that the common law provided perpetual copyrights in published works. *See Millar v. Taylor*, 4 Burr. 2303, 98 Eng. Rep. 201 (K.B. 1769). As a result, the monopoly of the Stationers Company continued to impose substantial restrictions on the distribution of books, including Shakespeare's works, among others. *See* St. Clair, *supra*, at 140-57, 692-714. The House of Lords overruled *Millar* in 1774 and held the time limitations in the Statute of Anne cut off any common law copyrights the stationers might have held in published works. *See Donaldson v. Beckett*, 4 Burr. 2408, 98 Eng. Rep. 257, 2 Bro. PC 129, 1 Eng. Rep. 837, 17 Cobb. Parl. Hist. 953 (H.L. 1774).

The English experience with Crown monopolies was similarly important. *See Graham*, 383 U.S. at 5-7; *Sears, Roebuck & Co. v. Stiffel Co.*, 376 U.S. 225, 228-30 & n.6 (1964); Ochoa & Rose, *supra*, at 675; J.A. 54-79 (Declaration of copyright historian Mark Rose). While limited monopolies for new technology provided a useful incentive to innovate, the Crown's practice of granting monopolies over existing technology and established industries created no such incentive. Instead, it created a "race for favors," as would-be monopolists sought to capture already

existing markets. William Hyde Price, *The English Patents of Monopoly* 16 (Harvard Univ. Press 1913) (1906).

The principal offense of such monopolies was the privatization of public rights – they took existing rights away from the public, and placed them in private hands. *See* 4 William Blackstone, *Commentaries on the Laws of England* 154 (Robert Malcolm Kerr ed., 4th ed. 1876); *see generally Proprietors of Charles River Bridge v. Proprietors of Warren Bridge*, 36 U.S. 420, 607 (1837) (Taney, C.J.) (monopoly is "an exclusive right, granted to a few, of something which was before of common right"). The English Parliament reacted to this abuse by enacting the Statute of Monopolies, which limited the terms of new and existing patents, and restricted the issuance of patents to "the true and first Inventor and Inventors" of "new Manufactures." *See Sears, Roebuck & Co.*, 376 U.S. at 225 n.6.

The Statute of Anne and Statute of Monopolies share a basic purpose. They permit monopolies and exclusive rights over new creations in order to provide beneficial incentives, but deny them to existing creations because the latter restricts the spread of knowledge without any corresponding benefit.

Promoting the spread of knowledge was also important to the Founders of our country and the Framers of our Constitution. Thomas Jefferson recognized that the "diffusion of knowledge among people" is essential to a democratic government.

Letter from Thomas Jefferson to George Wythe (Aug. 13, 1786), *in* 10 *The Papers of Thomas Jefferson* 243, 244 (Julian P. Boyd ed., 1954). James Madison, John Adams, and George Washington agreed. *See* Letter of James Madison to W.T. Barry (Aug. 4, 1822), *in* 9 *The Writings of James Madison* 103, 107 (Gaillard Hunt ed., 1910) ("American people owe it to themselves, and to the cause of free Government," to excel in "the advancement and diffusion of Knowledge."); MASS. CONST. pt. II, ch. 5, § 2 ("[w]isdom, and knowledge, as well as virtue, diffused generally among the body of the people, [are] necessary for the preservation of their rights and liberties");[4] George Washington, Address to Both Houses of Congress (Jan. 8, 1790), *reprinted in* Thorvald Solberg, *Copyright in Congress, 1789-1904*, 115-16 (1905) ("[T]here is nothing which can better deserve your patronage than the promotion of science and literature. Knowledge is, in every country, the surest basis of public happiness."). *See generally* Michael D. Birnhack, *The Idea of Progress in Copyright Law*, 1 BUFF. INTEL. PROP. L.J. 3, 20-21 (2001).

The first Congress recognized that this purpose was foundational in the Copyright Clause. The 1790 Copyright Act was "[a]n act for the encouragement of learning." Copyright Act of 1790, ch. 15, § 1, 1 Stat. 124. The House Journal remarked that "the

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[4] John Adams was the sole drafter of the Massachusetts Constitution. *See* Louis Adams Frothingham, *A Brief History of the Constitution and Government of Massachusetts* 25-27 (1925).

promotion of science and literature will contribute to the security of a free Government; in the progress of our deliberations we shall not lose sight of objects so worthy of our regard." H.R. Journal, 1st Cong., 2d Sess. 139 (Jan. 12, 1790), *reprinted in* Solberg, *supra*, at 118.

It was in light of this history and their understanding of the purpose of copyright that the Framers imposed specific limits on Congress's copyright power to make sure it would promote, not inhibit, the diffusion of knowledge. They gave Congress the power to grant copyrights but only for "limited [t]imes." U.S. CONST. art. I, § 8, cl. 8. In doing so the Framers ensured there would be a point after which the public was guaranteed the free and permanent availability of every work, its diffusion forever free of constraint.

The Framers would have recognized that Section 514 commits the principal offense of monopoly that Blackstone identified and against which the Framers sought to guard: it privatizes rights that once belonged to petitioners and the public. The day before Congress enacted Section 514, every one of the works covered by the statute was in the public domain. At that time, petitioners performed symphonies, taught music, and distributed films that had been in the public domain for decades. They were performing precisely the role the Framers intended, by facilitating the release of these works to the public. Section 514 turned that public right into a private monopoly held by the heirs of foreign authors.

C. Two Centuries Of Unbroken Practice Confirm That Congress Cannot Remove Works From The Public Domain.

"To comprehend the scope of Congress' power under the Copyright Clause, 'a page of history is worth a volume of logic.'" *Eldred*, 537 U.S. at 200 (*quoting New York Trust Co. v. Eisner*, 256 U.S. 345, 349 (1921) (Holmes, J.)). In *Eldred*, this Court looked to history and tradition to identify the limits of Congress's power. *See id.* In doing so, it identified "an unbroken congressional practice" that confirmed Congress's power to extend the term of existing copyrights. *Id.*

Here, history and tradition point the opposite way. Congress created the public domain of the United States when it enacted the first copyright statute in 1790, and it left the public domain intact as it amended the Copyright Act nineteen times over two hundred years. That tradition, unbroken since 1790, confirms Congress has no power to remove works from the public domain.

Prior to 1790, there was no federal copyright law, and no public domain of the United States by definition. That is not to say there were no copyrights. The Founders recognized copyrights existed at common law. *See The Federalist No. 43* at 281 (James Madison) (Paul Leicester Ford ed., 1898) ("The copyright of authors has been solemnly adjudged, in Great Britain, to be a right of common law."); *see also* 2 Joseph Story, *Commentaries on the Constitution of*

the United States 78 § 1152 (4th ed. 1873); William Rawle, *A View of the Constitution of the United States of America* 101-02 (1825).

State copyright statutes enacted prior to 1790 provided a patchwork of statutory protection for published works that varied in scope, duration, formalities and conditions. *See* Patterson, *supra*, at 183-92. The copyright statutes of Connecticut, Georgia and New York expressly preserved common law rights. *See id.* at 186, 189. New York common law provided perpetual common law protection for published works. *See Capitol Records, Inc. v. Naxos of Am., Inc.*, 830 N.E.2d 250, 262-63 (N.Y. 2005). In other jurisdictions, the scope of common law protection for published works was hotly contested. *See Wheaton v. Peters*, 33 U.S. (8 Pet.) 591, 659-61 (1834) (majority opinion concluding there was no common law protection for published works in Pennsylvania), and *id.* at 690 (dissenting opinion concluding Pennsylvania common law did protect published works).[5]

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[5] In *Wheaton*, the majority concluded Pennsylvania common law provided no protection for published works based largely on the language of the Copyright Act of 1790. *See* 33 U.S. at 660-61. That question of Pennsylvania state law is not one for a federal court or Congress to decide. *See Erie R.R. Co. v. Tompkins*, 304 U.S. 64 (1938). So *Wheaton* is not dispositive of Pennsylvania law, much less the law of any other state. The Justices' disagreement about common law protection for published works parallels a similar controversy that raged in England for most of the eighteenth century. While *Donaldson* settled the preemptive effect of the Statute of Anne, it reflected profound disagreement

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The 1790 Act displaced the patchwork of state copyright statutes and common law protection for published works. It replaced it with a clear, uniform federal system that created the public domain of the United States, and placed works into that public domain clearly, quickly and predictably.

The 1790 Act placed works by foreign authors into the public domain immediately by making them expressly ineligible for protection. *See* 1790 Act, § 5, 1 Stat. at 125. For American authors, it protected "any map, chart, book or books" for an initial term of fourteen years, with an available renewal term of fourteen years. *See id.* § 1, 1 Stat. at 124. It also required authors to register their works, which made it possible to determine with precision when a work would enter the public domain. *See id.* Finally, by providing the same term of protection for works "already printed," the 1790 Act eliminated any doubt that these works were also subject to its limited term of protection. *Id.* By displacing existing protection for published works – whatever its scope – the 1790 Act guaranteed that all works would be treated alike and all would enter the public domain within twenty-eight years.

Upon creating the public domain of the United States, Congress began its two-hundred-year tradition of respecting the integrity of the public domain.

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over the scope of the common law protection for published works that statute displaced. 4 Burr. 2408, 98 Eng. Rep. 257.

In the nineteenth century, Congress expanded the scope and duration of copyright six times. Each amendment left the public domain completely intact:

- The 1802 amendment extended copyright to engravings, but only those created "from and after the first day of January next." Act of Apr. 29, 1802, ch. 36, § 2, 2 Stat. 171.

- The 1831 amendment (a) extended copyright to subsequent music compositions, and also (b) extended the term of copyright protection from fourteen to twenty-eight years. Act of Feb. 3, 1831, ch. 16, §§ 1, 16, 4 Stat. 436, 439. But Congress specified "this act shall not extend to any copyright heretofore secured, the term of which has expired." *Id.* § 16, 4 Stat. at 439.

- The 1856 amendment extended copyright to publication and public performance of dramatic compositions but was limited to "any copyright hereafter granted." Act of Aug. 18, 1856, ch. 169, § 1, 11 Stat. 138, 139.

- The 1865 amendment granted copyright protection to photographs and negatives "which shall hereafter be made." Act of Mar. 3, 1865, ch. 126, § 1, 13 Stat. 540.

- The 1870 amendment extended copyright to art works, and conferred upon copyright holders the exclusive rights of dramatization and translation. Act of

July 8, 1870, ch. 230, § 86, 16 Stat. 198, 212. But the statute did not apply to works already in the public domain, because its application was expressly conditioned upon registration of the work with the Library of Congress "before publication." *Id.* § 90, 16 Stat. at 213.

- The 1891 amendment authorized (for the first time) copyrights for authors from certain foreign countries. Act of Mar. 3, 1891, ch. 565, § 13, 26 Stat. 1106, 1110. But once again, the statute did not apply to works in the public domain because it was limited to works registered no later than the date of publication. *Id.* § 3, 26 Stat. at 1107.

In the twentieth century, Congress enacted four further significant revisions to copyright law. Once again, each left the public domain completely intact:

- In 1909, Congress revised U.S. copyright law extensively. It expanded the scope of copyrightable subject matter, and extended protection to "all the writings of an author." Copyright Act of 1909, Pub. L. No. 60-349, § 4, 35 Stat. 1075, 1076. But Congress made clear these changes would not remove works from the public domain: "[N]o copyright shall subsist in the original text of any work which is in the public domain, or in any work which was published in this country or any foreign country prior to the going into effect of this Act and has not already been

copyrighted in the United States. . . ." *Id.* § 7, 35 Stat. at 1077.

- The 1971 amendment extended copyright to sound recordings. Act of Oct. 15, 1971, Pub. L. No. 92-140, 85 Stat. 391. But the statute did not apply "retroactively" and did not "affect[ ] in any way rights with respect to sound recordings fixed before the effective date of this Act." *Id.* § 3, 85 Stat. at 392.

- The 1976 amendments expanded the scope of copyrightable works and substantially extended the term of copyright protection. Copyright Act of 1976, Pub. L. No. 94-553, 90 Stat. 2541. But it did not "provide copyright protection for any work that [went] into the public domain before its effective date of January 1, 1978." *Id.* § 103, 90 Stat. at 2599.

- The 1988 Berne Convention Implementation Act likewise did not grant copyright to works in the public domain. Pub. L. No. 100-568, § 12, 102 Stat. 2853, 2860 (BCIA "does not provide copyright protection for any work that is in the public domain in the United States.").

Congress's practice was especially illuminating in the twelve years leading up to the 1976 amendments. As debate over extending the length of the copyright term dragged on without legislative action, a significant concern arose that existing copyrights would "expire and be *irretrievably* lost" as the works entered

the public domain. *See Extending the Duration of Copyright Protection in Certain Cases, Hearings on H.J. Res. 627 Before Subcomm. No. 3 of the H. Comm. on the Judiciary*, 87th Cong. 4 (1962) (statement of Rep. Hale Boggs) (emphasis added). The House Judiciary Committee recognized that because "*it is not possible to revive expired terms of copyright*, it seems to the committee desirable to suspend further expiration of copyright for a period long enough to enable the working out of the remaining obstacles to the overall revision of the copyright law." H.R. REP. NO. 87-1742, at 3 (1962) (emphasis added).

Congress responded to this concern by enacting an extraordinary series of term extensions. From 1962 to 1974 it extended the terms of existing copyrights nine times in order to ensure these works would not enter the public domain.[6] This remarkable series of extensions was necessary precisely because Congress recognized it had no power to restore protection in works once they enter the public domain. H.R. REP. NO. 87-1742, at 3 (1962).

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[6] Act of Sept. 19, 1962, Pub. L. No. 87-668, 76 Stat. 555; Act of Aug. 28, 1965, Pub. L. No. 89-142, 79 Stat. 581; Act of Nov. 16, 1967, Pub. L. No. 90-141, 81 Stat. 464; Act of July 23, 1968, Pub. L. No. 90-416, 82 Stat. 397; Act of Dec. 16, 1969, Pub. L. No. 91-147, 83 Stat. 360; Act of Dec. 17, 1970, Pub. L. No. 91-555, 84 Stat. 1441; Act of Nov. 24, 1971, Pub. L. No. 92-170, 85 Stat. 490; Act of Oct. 25, 1972, Pub. L. No. 92-566, 86 Stat. 1181; Act of Dec. 31, 1974, Pub. L. No. 93-573, 88 Stat. 1873.

Congressional reports and materials presented to that body in other deliberations reflect the same understanding. The public domain is a one-way ratchet; materials can enter but they cannot be removed. The House Report on the 1909 Act took care to explain that Congress had included a specific provision "to make it clear that the original text of any work which has fallen into the public domain can not be copyrighted." H.R. REP. NO. 59-7083, at 11 (1907). The Report on the 1976 amendments likewise recognized that "[t]here can be no protection for any work that has fallen into the public domain," and that "lost or expired copyrights cannot be revived." H.R. REP. NO. 94-1476, at 180 (1976); *accord Final Report of the Ad Hoc Working Group, supra*, at 591 n.15 (*quoting* 1 M. Nimmer, *Nimmer on Copyright* § 105[A] (1984)) ("[N]either the copyright clause nor the First Amendment would permit the granting of copyright to works which have theretofore entered the public domain.").

That understanding was crucial when Congress considered whether to grant protection to works in the public domain in 1988 in connection with joining Berne. As Representative Kastenmeier – widely respected on matters of copyright and regarded as the principal force behind the formative 1976 Act – explained, works in the "public domain" are "the common property of the people to use as they see fit." 7 William F. Patry, *Patry on Copyright* § 24:21 (2008) (*quoting* 133 Cong. Rec. H1293, H1296 (daily ed. Mar. 16, 1987)). The House Committee on the Judiciary

noted that providing copyrights in public domain works posed constitutional issues: "The question of whether and, if so, how Congress might provide retroactive protection to works now in our public domain raises difficult questions, possibly with constitutional dimensions." H.R. REP. NO. 100-609, at 51 (1988), *quoted in Patry on Copyright*, *supra*, § 24:21. The Register of Copyrights likewise recognized that restoration was contrary to "American traditions against the removal of works from the public domain," and could raise "serious constitutional concerns." *The Berne Convention: Hearings on S. 1301 and S. 1971 Before the Subcomm. on Patents, Copyrights and Trademarks of the S. Comm. on the Judiciary*, 100th Cong. 150 (1988) (statement of Ralph Oman, Register of Copyrights and Assistant Librarian for Copyright Services); *see also Final Report of the Ad Hoc Working Group*, *supra*, at 590-91 & nn.15-16 (recognizing the Copyright Clause and First Amendment might impose "constitutional obstacles" to copyright restoration).

Against this two-hundred-year tradition dating back to the first Congress and the Copyright Act of 1790, the government has offered two wartime statutes (the Acts of 1919 and 1941) that authorized the President to give foreign authors additional time to comply with copyright formalities. Act of Dec. 18, 1919, Pub. L. No. 66-102, 41 Stat. 368; Act of Sept. 25, 1941, Pub. L. No. 77-258, 55 Stat. 732. Congress never invoked its Article I authority to justify these measures, and neither was challenged in court. On

the contrary, it appears Congress simply decided to "sweep the constitutional issues under the rug." *Nimmer on Copyright*, *supra*, § 9A.07[A]. If anything, these two statutes reflect Congress's recognition that in the exigency of wartime, it would be inappropriate to deny protection to authors who were "temporarily unable to comply with the conditions and formalities" prescribed by the U.S. statute "because of the disruption or suspension of facilities essential for such compliance." Act of Sept. 25, 1941, *supra*, 55 Stat. 732.

In the proceedings below the government also pointed to five private bills that extended copyright protection to individual works that had entered the public domain.[7] Each apparently reflected an isolated judgment by Congress based on the specific circumstances of the people involved. None of the bills appears to have been challenged, and none is remotely comparable to Section 514's wholesale grant of copyright protection for the estimated millions of works in the public domain. So too the private patent bills the government identifies,[8] and any

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[7] An Act for the Relief of Levi H. Corson, ch. 57, 9 Stat. 763 (Feb. 19, 1849); An Act for the Relief of William Tod Helmuth, ch. 543, 18 Stat., pt. 3, at 618 (June 23, 1874); An Act for the Relief of Judson Jones, ch. 29, 30 Stat. 396 (Feb. 17, 1898); An Act for the Relief of Mistress Henry R. Schoolcraft, ch. 16, 11 Stat. 557 (Jan. 25, 1859); An Act for the Relief of Mrs. William L. Herndon, ch. 99, 14 Stat. 587 (May 24, 1866).

[8] An Act to Renew the Patent of Thomas Blanchard, ch. 213, 6 Stat. 589 (June 30, 1834); An Act for the Relief of William

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suggestion that Congress has plenary power to remove inventions from the public domain has been rejected. *See Graham*, 383 U.S. at 6.

Taken together, or individually, the isolated aberrations on which the government relies demonstrate that removing any work from the public domain is a highly unusual exception to the "time honored tradition" of leaving the public domain intact and undisturbed. Pet. App. 98. That tradition confirms what the text and purpose of the Copyright Clause make clear: Congress has no power to remove works from the public domain, and Section 514 exceeds the limited powers the Copyright Clause provides.

II. Section 514 Violates The First Amendment.

Section 514 imposes extraordinary burdens on core speech and expression rights by eliminating established rights to perform music, distribute films and publish books that were in the public domain. Under *Eldred*, copyright statutes that burden such rights and alter the "traditional contours of copyright protection" may be subject to the usual standards of First Amendment scrutiny. The Tenth Circuit held Section 514 departed from the "time honored

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Gale, ch. 131, 6 Stat. 895 (Mar. 3, 1843); An Act for the Relief of John Goulding, ch. 88, 12 Stat. 904 (May 30, 1862); An Act for the Relief of the Heirs of William Graham, ch. 187, 20 Stat. 542 (June 11, 1878).

tradition" of leaving the public domain intact, and was subject to First Amendment scrutiny. But it erred when it later concluded that Section 514 survives First Amendment scrutiny. To the contrary, none of the interests the government identifies can justify the speech burdens Section 514 imposes.

A. Section 514 Is Subject To First Amendment Scrutiny Because It Alters The Traditional Contours Of Copyright Protection.

In *Eldred*, this Court recognized that copyright statutes are not "categorically immune" from First Amendment scrutiny. 537 U.S. at 221. It nonetheless excused the Copyright Term Extension Act from ordinary First Amendment scrutiny based on history and tradition. *See id.* at 219-21. It held that when Congress has not altered "the traditional contours of copyright protection," copyright's "built-in free speech safeguards" are generally adequate to protect speech interests, and further First Amendment review is unnecessary. *Id.* at 221.

That conclusion was based on the historical compatibility between copyright and First Amendment values. *See id.* at 219-20. The Court reasoned that although statutes conforming to "historical contours" may be presumed constitutional because of that historical compatibility, substantial deviations from those "traditional contours" cannot be presumed

constitutional on that basis, and must be assessed under ordinary First Amendment review. *Id.* at 221.

Section 514 alters the "traditional contours of copyright protection" in a dramatic and unprecedented way. *Eldred*, 537 U.S. at 221. For two hundred years, Congress expanded the scope and duration of copyright protection but left the public domain intact. *See supra*, 28-37. It respected the "bedrock principle" of copyright law: "works in the public domain remain in the public domain." Pet. App. 98.

That "bedrock principle" protects core First Amendment values. As new works enter the public domain, they expand the universe of speech and expression that is available to the public to learn, express, distribute and enjoy without restriction. This is a principal mechanism by which copyright fulfills its speech-enhancing mission of "promoting broad public availability of literature, music, and the other arts." *Twentieth Century Music Corp. v. Aiken*, 422 U.S. 151, 156 (1975). It is also a principal mechanism by which copyright fuels the "engine of free expression." *Harper & Row Publishers, Inc. v. Nation Enters.*, 471 U.S. 539, 558 (1985). Once works enter the public domain their contents become the building blocks of future creations. *See Sony*, 464 U.S. at 429; Pet. App. 76-77.

It is precisely the absence of any restrictions that makes the public domain so valuable. Each member of the public is free to use any part of a work in the public domain, or all of it, in any way for any purpose

whatsoever. The rules are clear, and they maximize both dissemination and further creativity.

Removing works from the public domain contracts the universe of speech and expression available to the public, and restricts access to the very fuel that fires the engine of free expression. It also takes clear and stable rules and makes them unreliable and unpredictable. That uncertainty itself has a substantial chilling effect on those who would use the public domain for its intended purpose. Any incentive to invest in using the contents of the public domain is substantially diminished if the fruits of that labor may be confiscated at any time.

The speech interests that petitioners lost here are very different from those asserted by the petitioners in *Eldred*. In that case, the works affected by term extension had never entered the public domain. Those works had always been subject to copyright protection, so the public arguably lost nothing at the time the copyrights were extended. As a result, the Court concluded the *Eldred* petitioners asserted no more than the right to make "other people's speeches." 537 U.S. at 221.

Here, petitioners do not assert the right to make other people's speeches. They assert the right to make the speeches that belonged to them and to the American public until Congress took them away and gave them to the heirs of foreign authors. The expression contained in the symphonies, books, films, and artwork at issue here "belonged to [petitioners] when it

entered the public domain." Pet. App. 101. "[N]either the author nor the author's estate [had] any more right to the work than any member of the general public." *Id.* 105-06.

In this case, petitioners and the public enjoyed the "federal right to copy and use" for any purpose all of the works Section 514 removed from the public domain. *See Dastar*, 539 U.S. at 33-34. Unlike the term extension statute that was before the Court in *Eldred*, Section 514 takes away vested and established public speech rights. *See* Symposium, *The Constitutionality of Copyright Term Extension: How Long Is Too Long?*, 18 CARDOZO ARTS & ENT. L.J. 651, 701-02 (2000) ("[T]here is a First Amendment right to publish freely works that are in the public domain.").

The rights to perform music, distribute a film, and publish a book are critical First Amendment freedoms. *See Ward v. Rock Against Racism*, 491 U.S. 781, 790 (1989); *Vance v. Universal Amusement Co.*, 445 U.S. 308, 315-16 (1980) (per curiam); *Bantam Books, Inc. v. Sullivan*, 372 U.S. 58 (1963). First Amendment rights do not become less important just because they involve the expression of another author. *See, e.g., Hurley v. Irish-Am. Gay, Lesbian & Bisexual Group of Boston*, 515 U.S. 557, 570 (1995) (presentation of edited compilation of speech "generated by other persons . . . fall[s] squarely within the core of First Amendment security"); *Simon & Schuster, Inc. v. Members of N.Y. State Crime Victims Bd.*, 502 U.S. 105, 116 (1991) (publishing house that selects authors for publication is "speaker" for First

Amendment purposes); *Ward*, 491 U.S. at 790 (recognizing unincorporated association's First Amendment right to sponsor musical performances by others); *N.Y. Times Co. v. United States*, 403 U.S. 713 (1971) (per curiam) (recognizing newspaper's First Amendment interest in publishing work authored by government employees); *Lovell v. City of Griffin*, 303 U.S. 444, 452 (1938) (the "[l]iberty of circulating is as essential . . . as liberty of publishing; indeed, without the circulation, the publication would be of little value").

The two "built-in free speech safeguards" this Court identified in *Eldred* are plainly inadequate to protect the speech and expression rights that Section 514 took from petitioners, or those it took from the public. While the distinction between idea and expression provides some protection for First Amendment interests because it limits copyright protection to the author's expression, and leaves the idea free for all to use, *see Eldred*, 537 U.S. at 219, that safeguard provides little consolation here. Petitioners and the public had, for instance, the unrestricted right to use the *expression* of Shostakovich and Prokofiev, not just the "ideas" those works embody. Similarly, the fair use doctrine permits the use of some copyrighted expression "in certain circumstances" and provides "considerable latitude for scholarship and comment," *id.* at 219-20, but that safeguard provides no protection for the rights Section 514 took from petitioners and the public. They had the unrestricted right to perform, copy, teach and distribute the *entire* work,

for any reason. "The fact that the fair use doctrine permits some access" is not an "adequate substitute for the unlimited access enjoyed before [Section 514] was enacted." Pet. App. 105. Playing a few bars of a Shostakovich symphony is no substitute for performing the entire work.

The "federal right to copy and use" material in the public domain, *Dastar*, 539 U.S. at 34, is not simply a "traditional contour of copyright protection." It is a defining feature of American copyright law, and an essential safeguard that ensures copyright remains "compatible with free speech principles." *Eldred*, 537 U.S. at 219. Section 514 departs from the time-honored tradition of leaving the public domain intact, and dismantles the speech protections that tradition provided to both petitioners and the public. It cannot escape First Amendment scrutiny.

B. Section 514 Fails Intermediate Scrutiny And Is Substantially Overbroad.

A content-neutral statute that burdens speech rights is subject to intermediate First Amendment scrutiny, and must not be substantially overbroad. *See, e.g., Turner Broad. Sys., Inc. v. FCC*, 512 U.S. 622 (1994) ("*Turner I*"); *Village of Schaumburg v. Citizens for a Better Environment*, 444 U.S. 620, 637-39 (1980) (regulation limiting speech held invalid when it promotes substantial government interest, but only "peripherally").

A statute survives intermediate scrutiny only if "it furthers an important or substantial governmental interest; if the governmental interest is unrelated to the suppression of free expression; and if the incidental restriction on alleged First Amendment freedoms is no greater than is essential to the furtherance of that interest." *Turner I*, 512 U.S. at 662 (*quoting United States v. O'Brien*, 391 U.S. 367, 377 (1968)). The government must do more than simply identify an important interest. It must prove that "the recited harms are real, not merely conjectural, and that the regulation will in fact alleviate these harms in a direct and material way." *Id.* at 664.

In the proceedings below, the government invoked three interests in support of Section 514: (1) promoting the rights of U.S. copyright holders abroad; (2) complying with the Berne Convention; and (3) correcting the supposedly "inequitable treatment of foreign authors." Resp. C.A. Br. 28-48. None of these interests is sufficient to uphold Section 514.

1. The Interest In Promoting The Rights Of U.S. Authors Abroad Cannot Justify Section 514.

The only government interest the Tenth Circuit addressed is the first. It held Section 514 is narrowly tailored to the interest in promoting the rights of U.S. copyright holders abroad because the United States could "set an example" for other countries with respect to restoring public domain works.

Pet. App. 21-22. The purpose of granting protection to foreign works that were in the public domain of the United States, the Tenth Circuit observed, was to induce other countries to provide "similar protection for American copyright holders." *Id.* 24; *see also id.* 19-22 (United States needed to restore foreign copyrights because U.S. trading partners were refusing to restore copyrights on previously created U.S. works).

Far from being an important interest, that goal is not even a legitimate purpose. Standing on its own and separated from Berne, removing works from the public domain does nothing but create private economic benefits – windfalls to authors of existing works that entered the public domain long ago. Section 514 confers windfalls directly on foreign authors in the hope that this may create later windfalls for U.S. authors. But the defect is the same either way: creating private benefits is not a legitimate objective of copyright regulation. *See Sony*, 464 U.S. at 429; *Fox Film*, 286 U.S. at 127.

More importantly, Section 514 sacrifices established public speech rights to create these private benefits. The government cannot claim a legitimate – much less important – interest in sacrificing public speech rights simply to create economic benefits for any private party. While the Tenth Circuit suggested that Congress was "balanc[ing] the interests of American copyright holders against American reliance parties," Pet. App. 24, that is precisely the problem. Congress was giving away vested public speech rights on the bare possibility that it might someday create

private economic benefits for U.S. authors. It takes from petitioners and the public the established rights to perform music and distribute films (and all sorts of other works) in the hope that this will allow U.S. copyright owners to make more money.

Even if there were a legitimate or important interest in giving away the established speech and expression rights of the American public so that U.S. copyright owners can obtain retroactive copyright protection abroad, Congress had no substantial evidence that Section 514 would actually advance that interest. *See Turner I*, 512 U.S. at 665. The testimony on which the government and the Tenth Circuit rely expresses nothing more than a general hope that a few foreign nations may one day provide reciprocal protection for existing U.S. works in their public domains. *See* Pet. App. 19-25; *see also Joint House and Senate Comm. Hearings on the URAA* at 120, 137, 225 & 249 n.2.

These statements are nothing more than guesses about what other countries might do someday. *See id.* At best they are predictions, but they are not based on anything like the "empirical support" or "factual predictions" *Turner* demands. *See Turner I*, 512 U.S. at 666; *cf. Turner Broad. Sys., Inc. v. FCC*, 520 U.S. 180, 196-210 (1997) ("*Turner II*") (detailing extensive evidence justifying must-carry provisions, including "years of testimony" and "volumes of documentary evidence and studies offered by both sides"). While Congress is certainly allowed to make predictive judgments, it must do so based on substantial evidence.

The abstract and unsubstantiated hope that foreign countries might provide voluntary but unspecified economic benefits of uncertain value to a group of U.S. copyright owners does not provide the "substantial evidence" *Turner* demands. *See Turner I*, 512 U.S. at 665-66; *cf. Ibanez v. Bd. of Accountancy*, 512 U.S. 136, 143 (1994) (speculation, conjecture and unsupported assertions cannot justify commercial speech restriction).

2. The Government's Interest In Complying With The Berne Convention Cannot Justify Section 514.

The second interest the government asserts in defense of Section 514 is the need to comply with the Berne Convention. But no treaty can authorize the government to do what the Constitution otherwise prohibits. *Boos v. Barry*, 485 U.S. 312, 324 (1988); *Reid v. Covert*, 354 U.S. 1, 16 (1957) (plurality opinion). Simply invoking a treaty, or the need to comply with it, does not by itself demonstrate an important interest. The importance of the government's interest, and whether it is sufficient to support Section 514, must depend on what Section 514 actually accomplishes.

The benefits that Berne participation provides cannot justify Section 514 for two reasons. First, the government *already* secured those benefits by joining the Berne Convention in 1988 and there is no evidence sufficient to show those benefits were in any

jeopardy. Second, Section 514 causes far more harm to speech interests than the terms of Berne require, and is not narrowly tailored to any interest in Berne compliance.

a. There Was No Substantial Evidence Of Any Harm.

The government asserts that Congress enacted Section 514 to comply with the Berne Convention. Yet the United States had already joined Berne in 1988, securing for U.S. authors all the prospective benefits of protection under the Convention. Congress concluded in 1988 that the Convention permitted the United States to join Berne without granting protection to any works in the public domain of the United States, and that the United States had complied with Berne upon enacting the BCIA. *See* H.R. REP. NO. 100-609, at 51-52; BCIA § 2(3) ("The amendments made by this Act, together with the law as it exists on the date of enactment of this Act, satisfy the obligations of the United States in adhering to the Berne Convention. . . .").

There are scattered suggestions in Section 514's legislative history that some Berne members believed that the United States was out of compliance with Berne because it had not provided copyright protection to foreign works in the public domain of the United States. *See Joint House and Senate Comm. Hearings on the URAA* at 137, 248. But the Office of the U.S. Trade Representative disagreed, and

informed the Chairman of the Subcommittee on Intellectual Property and Judicial Administration of the House Committee on the Judiciary in 1994 that restoration was discretionary. *Id.* at 2 (Opening Statement of Chairman William J. Hughes).

Even if the enactment of the BCIA in 1988 did not bring the United States into full compliance with Berne, the only apparent consequence of any such noncompliance was limited: a few Berne members had apparently declined to restore copyright protection to U.S. works that were in the public domain in those nations. *Id.* at 137 (statement of Ira S. Shapiro, General Counsel, Office of the U.S. Trade Representative) (noting that Thailand and Russia had refused to restore copyright of U.S. works in their public domains). U.S. authors were not threatened with the loss of any of the benefits secured in 1988, or the loss of any existing protection.

To justify the burdens Section 514 imposes on public speech rights, the government must point to substantial evidence of real harm. *See Turner I*, 512 U.S. at 666. The only evidence of harm here was the continued refusal of a limited and specific number of foreign nations to grant protection to U.S. works that were already in the public domain of those foreign nations. The interest in avoiding the so-called harm of that status quo is nothing more than the interest in creating economic windfalls. Again, that is not a legitimate government interest, much less an important one, and it cannot justify the vast burdens on public speech rights that Section 514 imposes.

b. Section 514 Is Not Narrowly Tailored Because The United States Could Have Complied With Berne While Burdening Substantially Less Speech.

Even if the United States were out of compliance with Berne following the enactment of the BCIA, Section 514 is not narrowly tailored to the interest of Berne compliance, because the United States could have complied with any restoration obligation Berne imposes while burdening substantially less speech. First, the United States could have avoided restoration altogether through existing mechanisms that permit negotiated exceptions to Berne's restoration obligations. Second, even if that were not feasible, the plain terms of Berne show the United States could have met any plausible restoration obligation while burdening substantially less speech.

i. Berne Permits Negotiated Exceptions To Restoration Requirements.

The Berne Convention permits each member to negotiate "special conventions" that modify Article 18's restoration provisions. *See* Berne Conv. Art. 18(3) ("The application of this [restoration] principle shall be subject to any provisions contained in special conventions to that effect existing or to be concluded between countries of the Union."). Nineteenth-century bilateral treaties among Berne members denied retroactive protection or qualified it with

exceptions and conditions. *See* Sam Ricketson, *The Berne Convention for the Protection of Literary and Artistic Works: 1886-1986* 666-67 (1987).

As Congress recognized in 1988, providing any protection for public domain works posed unique problems for the United States given the size and scope of its public domain, as well as the unique protection for speech and expression rights that the U.S. Constitution demands. *See* H.R. REP. NO. 100-609 at 51-52 (1988). The plain terms of Article 18 would have allowed the United States to negotiate agreements that modified or eliminated Berne's restoration requirements to accommodate the unique position of the United States relative to any other Berne signatory. Indeed, the United States demanded and obtained an exception to another provision of Berne relating to "moral rights" in the course of negotiating the TRIPS agreement that made Berne obligations enforceable through the World Trade Organization. *See* 2 *The GATT Uruguay Round: A Negotiating History (1986-1992)* 2288-89 (Terence P. Stewart ed., 1999); Ralph Oman, *Berne Revision: The Continuing Drama*, 4 FORDHAM INTELL. PROP. MEDIA & ENT. L.J. 139, 143 (1993).

The government cannot invent an important First Amendment interest simply by signing a treaty or trade agreement that requires it to dismantle First Amendment protections. If anything, it has an obligation to protect fundamental speech rights, not to bargain them away. *See* Curtis Bradley & Jack Goldsmith, *Treaties, Human Rights, and Conditional*

Consent, 149 U. PA. L. REV. 399, 417-22 (2000) (United States declined to adopt restrictions on hate speech in connection with ratification of International Covenant on Civil and Political Rights because they conflicted with First Amendment speech and expression rights). Neither Berne nor TRIPS permits the government to simply cast aside the "serious constitutional concerns" it recognized in 1988 when it declined to provide copyrights in public domain works.

ii. Berne Permits Complete And Permanent Protection For Reliance Parties Like Petitioners.

Even in the absence of any "special conventions" or other agreements, the plain text of Article 18 leaves every Berne member wide and unilateral discretion to "determine the conditions" of restoration. *See* Berne Conv. Art. 18(3) ("[T]he respective countries shall determine, each in so far as it is concerned, the conditions of application of this [restoration] principle."). The text of Article 18 places no restrictions on the "conditions" each member may attach. It leaves that decision up to the broad discretion of each member, especially in regard to the protection of reliance parties. *See, e.g.*, Paul Goldstein & Bernt Hugenholtz, *International Copyright* § 8.4, at 295 (2010); J.A. 201-02 (Declaration of Professor Lionel Bently); *see also* Claude Masouyé, *Guide to the*

Berne Convention for the Protection of Literary and Artistic Works (Paris Act, 1971) 101 (WIPO ed., 1978).

While Berne provided the United States with wide latitude to protect reliance parties as it saw fit, the United States chose to provide only temporary protection for reliance parties. Reliance parties who are performing, selling, distributing or otherwise using restored works are protected only for one year after a copyright owner files the notice necessary for enforcing restored copyrights. *See* 17 U.S.C. §§ 104A(d)(2)(A)-(B), Pet. App. 174-77. A party who creates a derivative work may continue to exploit that work for a longer period, but only upon paying "reasonable compensation" to the new copyright owner for using what was by definition free and previously in the public domain. *See id.* § 104A(d)(3), Pet. App. 176. This restrictive protection of reliance interests stands in contrast to the approach of other Berne signatories, which provide varying forms of permanent protection to certain reliance interests. J.A. 197-200, 202-03, 206-08 (Declaration of Professor Lionel Bently).

Nothing in Berne required the United States to provide weak and temporary protection for reliance parties. The terms of Article 18 do not specify, demand or require *any* restoration of rights against reliance parties. *See* Berne Conv. Art. 18. There is nothing in its text that prohibits reliance interests from being protected completely and permanently. Section 514 recognizes as a reliance party any person who, prior to restoration, exercised any of the

exclusive rights the Copyright Act provides in Section 106, or acquired copies or recordings of restored works. *See* 17 U.S.C. § 104A(h)(4), Pet. App. 183. Nothing in Article 18 would prohibit the United States from providing these reliance parties with the permanent right to do anything they did prior to Section 514, or the permanent freedom to do as they wish with any copy or recording that was lawfully made prior to Section 514.

The district court agreed. It recognized that Article 18(3) provides "broad latitude to protect reliance parties – even for an unlimited time." Pet. App. 61-62. It invalidated Section 514 on that ground, holding that the government could have provided complete and permanent protection for reliance parties like petitioners under the express terms of Berne. *See id.* 62 (holding Section 514 invalid "to the extent Section 514 suppresses the rights of reliance parties to use works they exploited while the works were in the public domain").

This is not a new or novel suggestion. When Congress first considered granting protection in public domain works in connection with joining Berne, the Copyright Office itself concluded that any grant of copyright protection to public domain works must provide strong – and permanent – protection for reliance parties. It recognized that "recapture [of copyrights] cannot cut off existing rights in the continued utilization of works in the United States, which were lawful prior to recapture." *U.S. Adherence to Berne Convention: Hearings Before the Subcomm.*

on Patents, Copyrights and Trademarks of the S. Comm. on the Judiciary, 99th Cong. 662 (May 16, 1985 and Apr. 15, 1986) ("Implementing Legislation to Permit U.S. Adherence to the Berne Convention," a draft bill and commentary).

The weak and temporary protection for reliance parties that Section 514 provides is neither required by Berne, nor narrowly tailored to the interest in complying with Berne. All the United States had to do to provide complete and permanent protection for reliance parties was exercise the unilateral discretion that Article 18(3) provides. In refusing to do so, the United States burdened substantially more speech than Berne requires.

iii. Berne Permits The United States To Provide Shorter Terms Of Protection For Many Restored Works, And More Protection For Existing Copies Of Restored Works.

The plain terms of Berne would have permitted the United States to burden substantially less speech in two additional but similarly important ways, yet the United States chose not to adopt them.

Berne Article 7(8) permits each member to adopt the so-called "rule of the shorter term." *See* Goldstein, *International Copyright* § 8.3.1, at 287-88 (2010); Berne Conv. Art. 7(8). Under this provision, each Berne member is permitted to limit the term of

protection for any foreign work to the term that work receives in its country of origin. *See id.* Section 514 ignores the "rule of the shorter term." Instead, it states the copyright in a restored work "subsist[s] for the remainder of the term of copyright that the work would have otherwise been granted in the United States if the work never entered the public domain in the United States." 17 U.S.C. § 104A(a)(1)(B), Pet. App. 173. In other words, the restored work automatically receives the full term it would have received in the United States even if the work is protected for a shorter period in the country of origin. In many instances, this results in years of unnecessary protection for works originating in countries that provide terms shorter than those provided by the United States. *See Nimmer on Copyright*, *supra*, § 9A.04[A][1][a] & n.17.5.

Berne would also have permitted the United States to protect "first sale" rights, which have been recognized in the United States for over one hundred years, first by common law and then by statute. *See* 17 U.S.C. § 109, Pet. App. 186; *Bobbs-Merrill Co. v. Straus*, 210 U.S. 339 (1908). The "first sale" right is an exception to the exclusive right of distribution that generally permits the owner of any lawfully made copy to sell or otherwise dispose of that copy without the permission of the copyright owner. *See* 17 U.S.C. § 109(a), Pet. App. 186.

Section 514 eliminates "first sale" rights for restored works after a one-year grace period. *See id.* But that restriction was also unnecessary. Berne does

not require its members to provide any exclusive rights of distribution in the first place, except for cinematographic works. *See* Goldstein, *International Copyright*, *supra* § 9.1.2; Berne Conv. Art. 14(1)(i). Berne plainly did not require the U.S. to abandon an exception to exclusive distribution rights that Berne does not recognize. By limiting the "first sale" right for all restored works, Section 514 burdens the right to sell or dispose of untold copies of the millions of works restored.

The plain terms of the Berne Convention show that Section 514 imposes burdens on the speech and expression rights of petitioners and the public that are far greater than anything Berne requires. Whatever interest the government might have in complying with Berne, the government is not permitted to burden more speech than Berne requires. *See Boos*, 485 U.S. at 324-29 (interest in complying with treaty does not permit government to ignore less restrictive alternatives permitted by treaty).[9]

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[9] The unnecessary burdens Section 514 imposes on core speech rights demonstrate it is unconstitutional on its face, and as applied to petitioners or any other reliance party.

III. Congress Cannot Avoid The Explicit Restrictions Of The Copyright Clause Or The First Amendment By Invoking Other Powers.

In the proceedings below, the government contended the Commerce Clause or the Treaty Power might empower Congress to enact Section 514 even if that statute violates the Copyright Clause or the First Amendment. But Congress's other powers cannot enable it to violate the express restrictions that the Copyright Clause or the First Amendment impose.

In general, Congress may pass legislation under one power even if that legislation is outside the ambit of another power. *See, e.g.*, *Heart of Atlanta Motel, Inc. v. United States*, 379 U.S. 241 (1964) (Civil Rights Act authorized under Commerce Clause power, even if not authorized under Fourteenth Amendment Section 5 power); *Missouri v. Holland*, 252 U.S. 416, 432 (1920) (legislation implementing treaties authorized under Necessary and Proper Clause, even if not authorized under other enumerated powers).

Trademarks, for instance, do not relate to inventions, discovery, or authorship, so their regulation falls outside the ambit of the Copyright and Patent Clauses. *See Trade-Mark Cases*, 100 U.S. 82, 93-94 (1879). Consequently, the power to protect trademarks may (or may not) be found in the Commerce Clause. *See id.* at 95. Criminal statutes prohibiting bootleg sound recordings do not create exclusive

rights for authors. *See United States v. Martignon*, 492 F.3d 140, 152 (2d Cir. 2007). So the power to enact them may also be found in the Commerce Clause. *See id.*

Congress may not, however, use one power – not even its broad commerce or treaty powers – to avoid express restrictions on another power. That is plainly true where a prohibition is imposed by the Bill of Rights. *See, e.g.*, *Reid*, 354 U.S. at 16-19 (Congress cannot use its power to implement treaties to violate the Fifth and Sixth Amendments); *New York v. United States*, 505 U.S. 144, 156 (1992) (First Amendment limits commerce power). It is equally true where a prohibition appears as an express restriction on an Article I power. In *Railway Labor Executives Ass'n v. Gibbons*, 455 U.S. 457 (1982), Congress passed a targeted bankruptcy law applying to a single bankrupt railroad. *See id.* at 461-63. The Court held that the law could not be upheld under the Bankruptcy Clause, which requires bankruptcy laws to be "uniform." *Id.* at 470-71. The Court concluded that Congress could not pass a non-uniform bankruptcy law under its Commerce Clause power either, because that would "eradicate from the Constitution a limitation on the power of Congress." *Id.* at 468-69; *cf. United States v. Moghadam*, 175 F.3d 1269, 1280 n.12 (11th Cir. 1999) (assuming without deciding that "the Commerce Clause could not be used to avoid a limitation in the Copyright Clause" if the statute is "fundamentally inconsistent" with a specific limitation of the Copyright Clause).

Like the Bankruptcy Clause, the Copyright Clause "is both a grant of power and a limitation." *Graham*, 383 U.S. at 5. It authorizes Congress to grant copyrights, but it places explicit restrictions on that power by requiring copyrights to last only for "limited [t]imes." If Congress could avoid that specific restriction by invoking another power, that limitation would also be "eradicated." *See Railway*, 455 U.S. at 469. Congress cannot be permitted to "eradicate" that restriction with the Commerce Clause or the Treaty Power. *See Reid*, 354 U.S. at 16 ("[N]o agreement with a foreign nation can confer power on Congress . . . which is free from the restraints of the Constitution."). So while this Court held in *Missouri v. Holland* that a treaty can empower Congress to exercise power that is ordinarily reserved to the states by the "invisible radiation" of the Tenth Amendment, that was only true because the "treaty in question [did] not contravene any prohibitory words to be found in the Constitution." 252 U.S. at 434. Here, Section 514 does exactly that. Neither the Commerce Clause nor the Treaty Power can authorize Section 514's violation of the "limited [t]imes" restriction or the First Amendment.

CONCLUSION

The Court should reverse the judgment below and remand the case with instructions to enter judgment for petitioners.

Respectfully submitted,

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RESPONDENT'S BRIEF

No. 10-545

In the Supreme Court of the United States

LAWRENCE GOLAN, ET AL., PETITIONERS

v.

ERIC H. HOLDER, JR., ATTORNEY GENERAL, ET AL.

ON WRIT OF CERTIORARI
TO THE UNITED STATES COURT OF APPEALS
FOR THE TENTH CIRCUIT

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QUESTIONS PRESENTED

Section 514 of the Uruguay Round Agreements Act (URAA), Pub. L. No. 103-465, 108 Stat. 4976, implements international copyright agreements and fulfills international copyright objectives by restoring protection to certain foreign works that had fallen into the public domain for reasons other than expiration of the full copyright term. Section 514 operates prospectively only, and it provides substantial accommodations to parties who had exploited the affected works before the URAA was enacted. The questions presented are as follows:

1. Whether Section 514 of the URAA is a permissible exercise of congressional authority under the Copyright Clause of the Constitution.

2. Whether Section 514 of the URAA violates the First Amendment to the Constitution.

TABLE OF CONTENTS

Page

Opinions below 1
Jurisdiction 1
Constitutional, international-agreement and statutory provisions involved 2
Statement 2
Summary of argument 10
Argument:
I. Section 514 is a valid exercise of Congress's power under the Copyright Clause 13
A. The text of the Copyright Clause does not preclude Congress from granting copyright protection to works that have entered the public domain in the United States 14
B. Historical practice confirms that the Copyright Clause authorizes Congress to restore copyrights to works in the public domain 17
1. The First Congress granted copyright protection to works that were previously unprotected 18
2. Subsequent Congresses also restored copyright and patent protection to works and inventions in the public domain 23
C. Section 514 is a rational exercise of Congress's Copyright Clause authority 33
II. Section 514 is consistent with the First Amendment 34
A. Section 514 does not trigger heightened First Amendment scrutiny 35
B. Section 514 satisfies any potentially applicable standard of First Amendment review 42

Table of Contents—Continued: Page

1. Section 514 is narrowly tailored to ensure both actual and perceived compliance with international obligations 43
2. Section 514 is narrowly tailored to further the government's interest in securing greater protections for American authors abroad 49
3. Section 514 is narrowly tailored to further the government's interest in equitable treatment of foreign authors 53

Conclusion 55

Appendix – Constitutional, international-agreement and statutory provisions 1a

TABLE OF AUTHORITIES

Cases:

Alden v. *Maine*, 527 U.S. 706 (1999) 18

Blanchard v. *Sprague*, 3 F. Cas. 648 (C.C.D. Mass. 1839) 25, 26

Bonito Boats, Inc. v. *Thunder Craft Boats, Inc.*, 489 U.S. 141 (1989) 32

Boos v. *Barry*, 485 U.S. 312 (1988) 43

Burrow-Giles Lithographic Co. v. *Sarony*, 111 U.S. 53 (1884) 18, 21

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Capitol Records, Inc. v. *Naxos of Am., Inc.*, 830 N.E.2d 250 (N.Y. 2005) 22

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Cases—Continued: Page

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Dastar Corp. v. *Twentieth Century Fox Film Corp.*, 539 U.S. 23 (2003) 32

Eldred v. *Ashcroft*, 537 U.S. 186 (2003) ..... *passim*

Evans v. *Jordan*:

13 U.S. (9 Cranch) 199 (1815) 25

8 F. Cas. 872 (C.C.D. Va. 1813), aff'd, 13 U.S. (9 Cranch) 199 (1815) 25

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Graham v. *John Deere Co.*, 383 U.S. 1 (1966) 16, 29, 30, 31, 34

Grupo Mexicano de Desarrollo, S.A. v. *Alliance Bond Fund, Inc.*, 527 U.S. 308 (1999) 49

Harper & Row Publishers, Inc. v. *Nation Enters.*, 471 U.S. 539 (1985) 36, 50

Holder v. *Humanitarian Law Project*, 130 S. Ct. 2705 (2010) 43, 53

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Cases—Continued: Page

Mazer v. *Stein*, 347 U.S. 201 (1954) 21, 31, 50
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Printz v. *United States*, 521 U.S. 898 (1997) 18
R.A.V. v. *City of St. Paul*, 505 U.S. 377 (1992) 39
RCA v. *Radio Eng'g Labs. Inc.*, 293 U.S. 1 (1934) 30
Regan v. *Wald*, 468 U.S. 222 (1984) 43
Sony Corp. of Am. v. *Universal City Studios, Inc.*, 464 U.S. 417 (1984) 33
The Fire-Extinguisher Case, 21 F. 40 (C.C.D. Md. 1884) 25
Turner Broad. Sys., Inc. v. *FCC*, 520 U.S. 180 (1997) 42, 43, 49
Vimar Seguros y Reaseguros, S.A. v. *M/V Sky Reefer*, 515 U.S. 528 (1995) 48
Ward v. *Rock Against Racism*, 491 U.S. 781 (1989) 49
Wheaton v. *Peters*, 33 U.S. (8 Pet.) 591 (1834) 20, 21, 22

Constitution, international agreements, statutes and regulations:

U.S. Const.:
Art. I 34
§ 8, Cl. 8 (Copyright Clause) ..... *passim*
Amend. I ..... *passim*
Amend. V:
Due Process Clause 39
Just Compensation Clause 39

International agreements, statutes and regulations—Continued: Page

Berne Convention for the Protection of Literary and Artistic Works, Sept. 9, 1886, as revised at Paris on July 24, 1971 and amended in 1979, S. Treaty Doc. No. 27, 99th Cong., 2d Sess. (1986) 2

Art. 18, S. Treaty Doc. No. 27, 99th Cong., 2d Sess. 12 ..... *passim*

Art. 18(3), S. Treaty Doc. No. 27, 99th Cong., 2d Sess. 12 ..... 46, 47

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Art. 9.1, H. Doc No. 316, 103d Cong., 2d Sess. 1626 (1994), 1869 U.N.T.S. 304 ..... 4, 45

Art. 14.6, H. Doc No. 316, 103d Cong., 2d Sess. 1627 (1994), 1869 U.N.T.S. 305 ..... 4, 45, 48

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Act of Jan. 21, 1808, ch. 13, 6 Stat. 70 24

Act of July 3, 1832, ch. 162, § 3, 4 Stat. 559 26

Act of June 30, 1834, ch. 218, 6 Stat. 589 24

Act of Mar. 3, 1843, ch. 131, 6 Stat. 895 24

Act of Feb. 19, 1849, ch. 57, 9 Stat. 763 24

§ 1, 9 Stat. 763 25

Act of May 30, 1862, ch. 88, 12 Stat. 904 24

Act of June 23, 1874, ch. 534, 18 Stat. 618 25

Act of June 11, 1878, ch. 187, 20 Stat. 542 24

Act of Mar. 3, 1893, ch. 215, 27 Stat. 743 26

Act of Feb. 17, 1898, ch. 29, 30 Stat. 1396 25

Statutes and regulations—Continued: Page

Act of Dec. 18, 1919, ch. 11, 41 Stat. 368 ..... 27, 28
Act of Sept. 25, 1941, ch. 421, 55 Stat. 732 ..... 27, 28
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Berne Convention Implementation Act of 1988, Pub. L. No. 100-568, 102 Stat. 2853 3
§ 7, 102 Stat. 2857 5
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Sonny Bono Copyright Term Extension Act, Pub. L. No. 105-298, 112 Stat. 2827 7
Uruguay Round Agreements Act, Pub. L. No. 103-465, 108 Stat. 4809 5
§ 514, 108 Stat. 4976 ..... *passim*
§ 514(a) (17 U.S.C. 104A) 5
17 U.S.C. 104A(a)(1)(B) 5, 6, 15
17 U.S.C. 104A(c) 6, 41
17 U.S.C. 104A(d)(1) 6, 39
17 U.S.C. 104A(d)(2) 6, 39
17 U.S.C. 104A(d)(2)(A)(i) 6, 41
17 U.S.C. 104A(d)(2)(A)(ii) 6, 42
17 U.S.C. 104A(d)(2)(B)(i) 6, 41
17 U.S.C. 104A(d)(2)(B)(ii) 6, 42
17 U.S.C. 104A(d)(3) 7, 42
17 U.S.C. 104A(d)(3)(B) 7

Statutes and regulations—Continued: Page

17 U.S.C. 104A(h)(1) 42
17 U.S.C. 104A(h)(2)(A) 6
17 U.S.C. 104A(h)(2)(B) 42
17 U.S.C. 104A(h)(4) 6
17 U.S.C. 104A(h)(6)(B) 5
17 U.S.C. 104A(h)(6)(C) 5
17 U.S.C. 104A(h)(6)(C)(i) 6
17 U.S.C. 102(b) 36, 38
17 U.S.C. 106 38
17 U.S.C. 107 ..... 36, 38
17 U.S.C. 108-122 (2006 & Supp. III 2009) 41
17 U.S.C. 108(h) 41
17 U.S.C. 109(a) (2006 & Supp. III 2009) 5
17 U.S.C. 110 41
17 U.S.C. 110(5)(B) 41
17 U.S.C. 501-513 (2006 & Supp. III 2009) 6
17 U.S.C. 501(a) 38
35 U.S.C. 102(b) 30
Conn. Copyright Act of 1783:
para. 2 19
para. 3 20
Ga. Copyright Act of 1786, § I 19, 20
Mass. Copyright Act of 1783:
para. 3 19
paras. 3-4 ..... 19, 20
para. 4 20
Md. Copyright Act of 1783, § VI 19

Statutes and regulations—Continued: Page

N.C. Copyright Act of 1785, § I 19, 20
N.H. Copyright Act of 1783:
para. 2 19
paras. 2-3 ..... 19, 20
N.J. Copyright Act of 1783, § 1 ..... 19, 20
N.Y. Copyright Act of 1786, § I 19, 20
Pa. Copyright Act of 1784, § VII 19
R.I. Copyright Act of 1783:
para. 2 19
paras. 2-3 ..... 19, 20
S.C. Copyright Act of 1784:
para. 1 19
para. 3 ..... 19, 20
Va. Copyright Act of 1785:
§ I 19
§ II 20
GK [Civil Code] Pt. IV, Art. 1256, translated in *Russia and the Republics Legal Materials (Second Series)*, Release No. 21 (William E. Butler ed.) 52
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Statutes and regulations—Continued: Page

Proclamation of Apr. 10, 1920, 41 Stat. 1790 27
Proclamation of May 25, 1922:
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42 Stat. 2274 27
Proclamation of June 3, 1922:
42 Stat. 2276 27
42 Stat. 2277 27
Proclamation (1943-1948):
No. 2608, 3 C.F.R. 19 27
No. 2722, 3 C.F.R. 107 27
No. 2729, 3 C.F.R. 113 27
Proclamation (1949-1953):
No. 2868, 3 C.F.R. 45 27
No. 2953, 3 C.F.R. 137 27
Proclamation No. 3353, 3 C.F.R. 79 (1959-1963) 27
Proclamation No. 3792, 3 C.F.R. 132 (1966-1970) 27

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61 Fed. Reg. 19,372 (1996) 6
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Circular 38a, International Copyright Relations of the United States (Nov. 2010) 2

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Miscellaneous—Continued: Page

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BRIEF FOR THE RESPONDENTS

OPINIONS BELOW

The opinion of the court of appeals (Pet. App. 1-42) is reported at 609 F.3d 1076. The opinion of the district court (Pet. App. 43-69) is reported at 611 F. Supp. 2d 1165. A prior opinion of the court of appeals (Pet. App. 70-109) is reported at 501 F.3d 1179. A prior opinion of the district court (Pet. App. 110-152) is unreported but is available at 2005 WL 914754. A prior order of the district court (Pet. App. 153-165) is reported at 310 F. Supp. 2d 1215.

JURISDICTION

The judgment of the court of appeals was entered on June 21, 2010. On August 24, 2010, Justice Sotomayor extended the time within which to file a petition for a writ of certiorari to and including October 20, 2010, and

the petition was filed on that date. The petition for a writ of certiorari was granted on March 7, 2011. The jurisdiction of this Court rests on 28 U.S.C. 1254(1).

CONSTITUTIONAL, INTERNATIONAL-AGREEMENT, AND STATUTORY PROVISIONS INVOLVED

Pertinent constitutional, international-agreement, and statutory provisions are set forth in an appendix to this brief. App., *infra*, 1a-27a.

STATEMENT

1. "There is no such thing as an 'international copyright' that will automatically protect an author's writings throughout the world." U.S. Copyright Office, *Circular 38a, International Copyright Relations of the United States* 1 (Nov. 2010). If the United States has not established copyright relations with a foreign country, residents of that country are generally free to copy and redistribute American works at will. Similarly, a work first published in a foreign country that does not have copyright relations with the United States ordinarily is not entitled to copyright protection here. To protect the works of domestic authors abroad, the United States therefore must enter into international agreements.

The Berne Convention for the Protection of Literary and Artistic Works (Berne Convention or Berne), Sept. 9, 1886, as revised at Paris on July 24, 1971 and amended in 1979, S. Treaty Doc. No. 27, 99th Cong., 2d Sess. (1986), "has been the major multilateral agreement governing international copyright relations" "[f]or more than 100 years." S. Rep. No. 352, 100th Cong., 2d Sess. 2 (1988) (*Berne Senate Report*). Currently, 164 countries are parties to the Berne Convention. See World Intellectual Prop. Org. (WIPO), *Contracting Parties:*

Berne Convention, http://www.wipo.int/treaties/en/ShowResults.jsp?country_id=ALL&start_year=ANY&end_year=ANY&search_what=C&treaty_id=15 (*WIPO List*). The Berne Convention generally requires each party to afford foreign copyright holders the same protections it affords its own nationals, and the Convention establishes a required minimum level of copyright protection in member countries. One such protection is set forth in Article 18 (App., *infra*, 1a-2a), which requires parties to restore copyright protection to certain unprotected foreign works whose copyright terms have not yet expired in their country of origin.

The United States joined the Berne Convention in 1989. See *WIPO List*. By adhering to Berne, the United States immediately ensured protection for United States copyright holders in 24 new countries, and "secure[d] the highest available level of multilateral copyright protection for U.S. artists, authors and other creators." *Berne Senate Report* 2-3.

To implement the treaty, Congress initially passed the Berne Convention Implementation Act of 1988 (BCIA), Pub. L. No. 100-568, 102 Stat. 2853. The BCIA adopted a "minimalist approach" to implementation and made "only those changes to American copyright law that [we]re clearly required under the treaty's provisions." H.R. Rep. No. 609, 100th Cong., 2d Sess. 7 (1988) (*Berne House Report*); accord *id.* at 20. Recognizing that Article 18 raised "difficult questions" that called for "legislative caution," Congress postponed full consideration of that provision until it could undertake "a more thorough examination." *Id.* at 51-52; see S. Rep. No. 412, 103d Cong., 2d Sess. 225 (1994) (*URAA Report*).

In the ensuing years, the United States and 123 other countries concluded the Uruguay Round of multilateral trade negotiations, which included the World Trade Organization (WTO) Agreement on Trade-Related Aspects of Intellectual Property Rights (TRIPS).[1] The TRIPS Agreement required parties to, *inter alia*, comply with Article 18 of the Berne Convention and therefore to restore copyrights in certain foreign works. TRIPS, *supra* note 1, Art. 9.1; see *id.* Art. 14.6 (extending Berne's Article 18 protections to sound recordings). And TRIPS provided an effective means by which a WTO member could challenge any other WTO member's implementation of Berne, through the dispute settlement procedures of the then-newly established WTO. 7 William F. Patry, *Patry on Copyright* § 23:56, at 23-123, 23-124 (Mar. 2010) (Patry); J.A. 97-99. A finding of noncompliance through that process could lead to the imposition of trade sanctions. *Ibid.*

In the context of considering implementation of TRIPS, Congress and the Executive Branch revisited implementation of Article 18. Congress learned that other countries believed the United States to be out of compliance with Article 18, and that the United States could face the prospect of a WTO dispute settlement proceeding. *E.g.*, *General Agreement on Tariffs and Trade (GATT): Intellectual Property Provisions: Joint Hearing Before Subcomms. of the House & Senate Comms. on the Judiciary*, 103d Cong., 2d Sess. 131, 147, 241, 247-248 (1994) (*Joint Hearing*). Witnesses also testified that nonexistent or ineffective copyright protections for the works of American authors abroad had

[1] Marrakesh Agreement Establishing the World Trade Organization, *done* Apr. 15, 1994, Annex 1C, H. Doc. No. 316, 103d Cong., 2d Sess. 1621 (1994), 1869 U.N.T.S. 299.

led to considerable losses in foreign trade, and that the United States' failure to restore copyright protection to certain foreign works was hindering diplomatic efforts to secure copyright protections for American authors abroad. *E.g.*, *id.* at 120, 131, 136-137, 189, 241, 247, 253, 256, 291.

On December 8, 1994, Congress enacted the Uruguay Round Agreements Act (URAA), Pub. L. No. 103-465, 108 Stat. 4809. Section 514 of the URAA (17 U.S.C. 104A and 17 U.S.C. 109(a) (2006 & Supp. III 2009)) implements Article 18 of Berne by restoring the remainder of the copyright term that certain foreign works would have enjoyed but for (i) lack of national eligibility (*i.e.*, if the foreign work was first published in a country, and authored by a foreign national of a country, that did not previously have copyright relations with the United States), (ii) absence of subject-matter protection for sound recordings fixed before federal law afforded copyright protection to such recordings, or (iii) failure to comply with statutory formalities (*e.g.*, fixing a copyright notice or filing a timely renewal application). 17 U.S.C. 104A(a)(1)(B) and (h)(6)(C).[2] The URAA did not afford copyright protection to foreign works that were in the public domain in the country of origin or the United States because the full copyright term had expired. 17 U.S.C. 104A(h)(6)(B) and (C).[3] Under Section

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[2] The United States has abolished such formalities as a condition of copyright protection for both domestic and foreign copyright holders. *E.g.*, Copyright Amendments Act of 1992, Pub. L. No. 102-307, § 102(a)(2)(A), 106 Stat. 264 (providing for automatic renewal of copyright term); BCIA § 7, 102 Stat. 2857 (eliminating requirement that copyright notice be affixed to work).

[3] Because Section 514 provides for restoration of copyright where foreign works passed into the public domain due to "failure of renewal,"

514, restored copyrights "subsist for the remainder of the term of copyright that the work would have otherwise been granted * * * if the work never entered the public domain." 17 U.S.C. 104A(a)(1)(B).

Section 514 is prospective only and has no effect on the legality of conduct that occurred before the URAA was enacted. Rather, the effect of restoring copyright to a particular foreign work is to make available various statutory remedies (see 17 U.S.C. 501-513 (2006 & Supp. III 2009)) for acts of infringement that occur "on or after the date of restoration." 17 U.S.C. 104A(d)(1) and (2). Section 514 also permitted all persons to make additional copies of, and otherwise use, the affected works for an additional year after enactment of the URAA. See 17 U.S.C. 104A(h)(2)(A); 61 Fed. Reg. 19,372 (1996) (date of copyright restoration was January 1, 1996).

Section 514 also provides various accommodations for "reliance parties" (17 U.S.C. 104A(h)(4)) who had exploited the affected foreign works before the URAA was enacted. Such persons can continue to exploit the restored works unless and until the foreign copyright holder gives notice of an intent to enforce, either by filing a notice with the Copyright Office within two years of restoration, or by notifying the reliance party directly. 17 U.S.C. 104A(c), (d)(2)(A)(i) and (B)(i). Even after receiving notice, a reliance party may continue to exploit any existing copies of the restored work for another year. 17 U.S.C. 104A(d)(2)(A)(ii) and (B)(ii). A person who has created a "derivative work," based on a

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17 U.S.C. 104A(h)(6)(C)(i), it encompasses some works that received a period of copyright protection in the United States. Cf. note 2, *supra* (explaining that United States law now provides for automatic renewal of copyrights). The primary impact of the restoration provisions, however, is on foreign works that never received U.S. copyright protection.

work subject to a restored copyright, can continue to exploit that work indefinitely if he pays reasonable compensation to the copyright owner. 17 U.S.C. 104A(d)(3). If the parties cannot agree on reasonable compensation, a district court may set a reasonable rate that takes into account any "contributions of expression of * * * the reliance party to the derivative work." 17 U.S.C. 104A(d)(3)(B).

2. Petitioners seek to use, copy, or sell, in ways that normally would constitute infringement, works whose copyrights were restored under Section 514. They brought this action alleging, *inter alia*, that the URAA exceeds Congress's powers under the Copyright Clause and that it violates the First Amendment.[4]

a. The district court granted the government's motion for summary judgment. Pet. App. 110-152. The court rejected petitioners' contention that the Copyright Clause categorically precludes Congress from restoring copyrights "to works that have passed into the public domain." *Id.* at 116, 143. The court further determined that, in enacting Section 514, Congress was "attempting to promote protection of American authors by ensuring

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[4] Petitioners also alleged that the Sonny Bono Copyright Term Extension Act (CTEA), Pub. L. No. 105-298, 112 Stat. 2827, violates the Copyright Clause and the First Amendment. Proceedings were stayed after this Court granted certiorari to review a similar challenge to the CTEA in *Eldred* v. *Ashcroft* (No. 01-618). Pet. App. 154. The Court ultimately rejected that challenge. See 537 U.S. 186 (2003). The district court subsequently granted the government's motion to dismiss petitioners' CTEA claims (Pet. App. 153-165), the court of appeals affirmed (*id.* at 79-81), and petitioners do not pursue those challenges here (Pet. 7 n.2). Petitioners also alleged that Section 514 violates their substantive due process rights. The district court granted summary judgment in favor of the government on that claim (Pet. App. 148-152), and petitioners did not challenge that ruling on appeal.

compliance with the Berne Convention within our own borders," and that Congress's effort to achieve that "constitutionally-permissible end" survived rational-basis scrutiny. *Id.* at 147. The district court rejected petitioners' First Amendment challenge, relying on "the settled rule that private censorship via copyright enforcement does not implicate First Amendment concerns." *Id.* at 147-148.

b. The court of appeals affirmed in part and reversed in part. The court agreed that Section 514 of the URAA does not exceed Congress's authority under the Copyright Clause, but it vacated the district court's First Amendment ruling and remanded for further proceedings. Pet. App. 70-109.

Relying in part on *Eldred* v. *Ashcroft*, 537 U.S. 186 (2003), the court of appeals rejected petitioners' contention that extending "copyright protection to works in the public domain" is categorically foreclosed by the Copyright Clause. Pet. App. 82-83. The court further held that implementation of "the Berne Convention, which secures copyright protections for American works abroad, is [not] so irrational or so unrelated to the aims of the Copyright Clause that it exceeds the reach of congressional power." *Id.* at 85.

The court of appeals read *Eldred* as suggesting that Congress's exercise of its Copyright Clause power is subject to First Amendment review "if it 'altered the traditional contours of copyright protection.'" Pet. App. 86-87 (quoting *Eldred*, 537 U.S. at 221). The court held that one of those "traditional contours" is "the bedrock principle of copyright law that works in the public domain remain there," and that Section 514 "alters the traditional contours of copyright protection by deviating from this principle." *Id.* at 87. The court concluded that

once the affected works entered the public domain, petitioners acquired "vested First Amendment interests in the expressions," and that First Amendment scrutiny was required to determine whether Section 514 impermissibly interferes with those interests. *Id.* at 102. The court of appeals therefore remanded for further proceedings. *Id.* at 107-109.

c. After further discovery in the district court, the parties filed cross-motions for summary judgment. The court granted petitioners' motion and denied the government's motion, holding that Section 514 violates petitioners' First Amendment rights. Pet. App. 43-69. The court concluded that none of the federal interests identified by the government—*i.e.*, (1) ensuring compliance with international obligations, (2) protecting the interests of American authors abroad, and (3) correcting historical inequalities facing foreign authors—provides a constitutionally sufficient justification for Section 514. See *id.* at 56-68.

d. The court of appeals reversed. Pet. App. 1-42. The court agreed that Section 514 is content-neutral and therefore subject to intermediate scrutiny. *Id.* at 11. Because it concluded that the government has "a substantial interest in protecting American copyright holders' interests abroad, and Section 514 is narrowly tailored to advance that interest," the court did not reach the validity of the government's other two asserted interests. *Id.* at 12-13 & n.6.

The court of appeals held "that the government's interest in securing protections abroad for American copyright holders" is an important interest unrelated to the suppression of free expression. Pet. App. 13. The court recognized that Congress's predictive judgments are entitled to "substantial deference," and that such

deference is especially warranted where, as here, the judgment involves other Branches' assessment of foreign affairs. *Id.* at 16-18 (citation omitted). In sustaining Congress's judgment that Section 514 would alleviate significant ongoing harms to American authors, *id.* at 19-29, the court relied on, *inter alia*, "testimony from a number of witnesses that the United States' position on the scope of copyright restoration—which necessarily includes the enforcement against reliance parties—was critical to the United States' ability to obtain similar protections for American copyright holders," *id.* at 24.

The court of appeals also concluded that Section 514 is narrowly tailored to serve the government's interest, and that the burdens imposed on "reliance parties" are exactly "congruent" to the benefits afforded American copyright holders. Pet. App. 30-31. The court declined to decide precisely what level of protection for reliance parties the Berne Convention requires or permits. *Id.* at 32. The court explained that, even assuming Section 514 provides greater protection for foreign authors than the Berne Convention requires, the legislation might induce other nations to provide comparable protections to American authors, thereby serving a substantial interest of the United States. *Ibid.*

SUMMARY OF ARGUMENT

I. Section 514 is a valid exercise of Congress's Copyright Clause authority.

A. Section 514 is consistent with the text of the Copyright Clause, and particularly with the Clause's requirement that copyrights be issued for "limited Times." A copyright restored under Section 514 expires on the same day it would have expired if the work had received copyright protection when it was first pub-

lished. Because petitioners do not dispute that the generally applicable periods of protection afforded by the Copyright Act are "limited" as applied to U.S. works, those periods are necessarily "limited" as applied to restored copyrights as well.

B. Section 514 also accords with historical practice. The first federal copyright statute, enacted by the First Congress in 1790, granted copyright protection to a substantial range of pre-existing works that had previously been open to public exploitation. On a number of occasions, subsequent Congresses likewise restored copyright and patent protection to works and inventions that had entered the public domain, and the relevant patent laws were uniformly sustained when challenged in court. To be sure, when Congress has expanded the scope of federal copyright protection, its more common practice has been to limit those expansions to works that were not yet in the public domain. But that does not cast doubt on Congress's constitutional power to extend copyright protection to public-domain works, particularly given the frequency of Congress's departures from the general rule and the consistent judicial rejection of challenges to analogous patent statutes.

C. Section 514 is subject to, and easily survives, judicial review under the deferential "rational basis" standard. Although petitioners assert a "federal right" to copy and use works of authorship that are in the public domain, this Court's decisions make clear that the contours of that right (and the contours of the public domain) are defined by the copyright statutes that Congress has enacted. Ensuring compliance with international obligations, securing greater protections for American authors abroad, and remedying past inequali-

ties are legitimate governmental objectives, and Section 514 is a rational means of achieving them.

II. Section 514 is consistent with the First Amendment.

A. The court of appeals erred in holding that Section 514 alters the "traditional contours of copyright protection" and is therefore subject to heightened scrutiny. In *Eldred*, this Court discussed the various features of traditional copyright law that ensured its consistency with the First Amendment. Those features include the "idea/expression dichotomy," the "fair use" defense, and the fact that traditional copyright protections restrict only the unauthorized exploitation of other people's expression. So long as Congress legislates in a manner consistent with those traditional features of copyright law, the First Amendment inquiry is essentially at an end.

Section 514 does not alter the traditional balance between protected and prohibited conduct that is built into the Copyright Act. The idea/expression dichotomy and the "fair use" defense apply fully to exploitation of restored works subject to Section 514. The determination whether particular conduct infringes a restored copyright likewise is governed by the generally applicable Copyright Act provisions that define infringement, not by any rule specific to the URAA. The restrictions imposed on petitioners are atypical only in the sense that they apply to works of authorship that petitioners were once free to exploit. But that aspect of the statutory scheme violates no independent First Amendment norm. If particular restrictions on expressive activity are otherwise consistent with the First Amendment, a person who has previously engaged in the now-

proscribed conduct has no "vested" right to continue to do so.

B. Even if Section 514 were subject to heightened (*i.e.*, intermediate) judicial scrutiny under the First Amendment, it would satisfy such review. Petitioners contend that the United States could have complied with its obligations under the Berne Convention while according greater rights to "reliance parties" who had previously exploited the restored works. Congress could appropriately seek to ensure, however, both that the United States was in actual compliance with Berne and that its compliance was not disputed by other member nations. Congress could also appropriately conclude that placing temporal limits on the rights of reliance parties would induce other nations to do likewise, thereby benefitting American authors abroad. Finally, Congress could appropriately seek to redress the prior inequalities of treatment between U.S. and foreign authors that had necessitated copyright restoration.

ARGUMENT

I. SECTION 514 IS A VALID EXERCISE OF CONGRESS'S POWER UNDER THE COPYRIGHT CLAUSE

The Copyright Clause empowers Congress to "promote the Progress of Science * * *, by securing for limited Times to Authors * * * the exclusive Right to their respective Writings." U.S. Const. Art. I, § 8, Cl. 8. That provision places various constraints on Congress's authority to define the terms and recipients of copyright protection. The authority to grant copyrights "for limited Times" does not include the power to grant *perpetual* copyrights. The authority to grant copyrights to "Authors" does not encompass the power to use copyrights as a form of patronage by granting them to per-

sons having no nexus to the relevant work's creation. And the authority to vest authors with exclusive rights in their own "Writings" does not include the power to grant exclusive rights in the *ideas* the author has expressed. Section 514 is fully consistent with each of those limitations.

Petitioners ask this Court to read into the Copyright Clause an additional, atextual limitation, under which works that enter the public domain in this country for any reason become categorically ineligible for copyright protection under United States law. Petitioners' argument is inconsistent with the constitutional text, congressional practices dating back to the First Congress, and this Court's decision in *Eldred* v. *Ashcroft*, 537 U.S. 186 (2003).

A. The Text Of The Copyright Clause Does Not Preclude Congress From Granting Copyright Protection To Works That Have Entered The Public Domain In The United States

1. Petitioners contend (Br. 21-23) that Section 514, by restoring copyright protection to works that had previously entered the public domain in the United States, exceeds Congress's Copyright Clause authority to grant copyrights for "limited Times." That argument is inconsistent with the constitutional text and with this Court's decision in *Eldred*.

As the Court explained in *Eldred*, the term "limited" in the Copyright Clause is best understood to mean "'confine[d] within certain bounds,' 'restrain[ed],' or 'circumscribe[d],'" rather than "forever 'fixed' or 'inalterable.'" 537 U.S. at 199 (brackets in original; citation omitted). Under Section 514, the term of a restored copyright is "limited" in the relevant respect. Section

514 provides that "[a]ny work in which copyright is restored under this section shall subsist for the remainder of the term of copyright that the work would have otherwise been granted in the United States if the work never entered the public domain in the United States." 17 U.S.C. 104A(a)(1)(B). A copyright restored under Section 514 thus expires on the same day it would have expired if the work had received copyright protection in the United States when it was first published—*i.e.*, if the author had been nationally eligible for protection at the time the work was created, the subject matter had been eligible for copyright protection at that time, and the author had complied with any then-applicable formalities imposed by United States law. A foreign author whose U.S. copyright is restored by the URAA therefore will have a *shorter* term of copyright protection. Because petitioners do not dispute that the terms of protection afforded by the Copyright Act are "limited" as applied to U.S. works, those terms are necessarily "limited" as applied to restored copyrights as well.

Petitioners' contrary argument is premised on an understanding of the word "limited" that this Court considered and rejected in *Eldred*. Petitioners contend that "[r]emoving works from the public domain violates the 'limited [T]imes' restriction by turning a fixed and predictable period into one that can be reset or resurrected at anytime." Br. 22. This Court in *Eldred*, however, expressly refused to "read[] into the text of the Copyright Clause the command that a time prescription, once set, becomes forever 'fixed' or 'inalterable.'" 537 U.S. at 199. The Court held instead that a period of exclusivity can be "limited" within the meaning of the Copyright Clause even though it has been extended beyond the original term of copyright protection. See *ibid.* To be

sure, the statutory extensions at issue in *Eldred* applied only to works that were already protected by U.S. copyrights when the extensions were enacted. Petitioners have identified no plausible definition of the word "limited," however, that would encompass that situation but not the one at issue here.[5]

2. Petitioners also suggest (Br. 23-24) that Section 514 is inconsistent with the Copyright Clause's preamble, which indicates that the goal of copyright protection is "To promote the Progress of Science." Petitioners identify no decision, however, in which any court has interpreted the preamble as an independent limitation on the powers of Congress. Rather, "the Copyright Clause empowers Congress to determine the intellectual property regimes that, overall, in that body's judgment, will serve the ends of the Clause." *Eldred*, 537 U.S. at 222; see *Graham* v. *John Deere Co.*, 383 U.S. 1, 6 (1966) (Congress "may * * * implement the stated purpose of the Framers by selecting the [patent-law] policy which in its judgment best effectuates the constitutional aim.").

Petitioners contend (Br. 24) that Section 514 does not further the objective identified in the Copyright

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[5] As petitioners observe, the Solicitor General stated at oral argument in *Eldred* that a "bright line" exists between works of authorship that have entered the public domain and those that have not. Br. 20. The thrust of the Solicitor General's statement, however, was that Congress, in enacting the copyright extensions at issue in *Eldred*, could rationally distinguish between a work whose copyright had very recently expired and a work whose copyright was on the verge of expiring, even if the works had been created only days apart. See Tr. of Oral Argument at 44, *Eldred*, *supra* (No. 01-618). The Solicitor General did not suggest, much less concede, that the Copyright Clause categorically forbids the extension of copyright protection to works that have entered the public in the United States. See *id.* at 28-29.

Clause's preamble because Section 514 applies only to works that had already been created when the URAA was enacted. That argument, however, is simply a variant of the "quid pro quo" theory that this Court rejected in *Eldred*. See 537 U.S. at 214-217; *Luck's Music Library, Inc.* v. *Gonzales*, 407 F.3d 1262, 1263-1264 (D.C. Cir. 2005) (describing similar argument as "the core argument advanced against the [CTEA] in *Eldred*," and noting that "[i]n all of [its] variations the argument lost"). As this Court recognized, "if the only way to promote the progress of science were to provide incentives to create new works," then "the United States could not 'play a leadership role' in the give-and-take evolution of the international copyright system." 537 U.S. at 206 (quoting Shira Perlmutter, *Participation in the International Copyright System as a Means to Promote the Progress of Science and Useful Arts*, 36 Loy. L.A. L. Rev. 323, 332 (2002) (Perlmutter)). In today's global economy, and in light of current (and emerging) technologies that render geographic borders largely obsolete with respect to the protection of intellectual property, the promotion of "progress" is tied directly to "active participation" in that international system. Perlmutter 324; see *id.* at 330-335.

B. Historical Practice Confirms That The Copyright Clause Authorizes Congress To Restore Copyrights To Works In The Public Domain

"To comprehend the scope of Congress' power under the Copyright Clause, 'a page of history is worth a volume of logic.'" *Eldred*, 537 U.S. at 200 (citing *New York Trust Co.* v. *Eisner*, 256 U.S. 345, 349 (1921)). Beginning with the first federal copyright statute in 1790, Congress has frequently extended copyright protection

to works that, for one reason or another, were in the public domain. Congress has similarly restored patent protection to inventions in the public domain, and its exercise of that authority has been upheld by Chief Justice Marshall, Justice Story, and Justice Bushrod Washington. That historical practice reinforces the most natural reading of the Copyright Clause's text.

1. The First Congress granted copyright protection to works that were previously unprotected

"[E]arly congressional practice * * * provides 'contemporaneous and weighty evidence of the Constitution's meaning.'" *Alden* v. *Maine*, 527 U.S. 706, 743-744 (1999) (quoting *Printz* v. *United States*, 521 U.S. 898, 905 (1997)). As this Court has observed in the copyright context, "[t]he construction placed upon the Constitution by the first [copyright] act of 1790 * * * by the men who were contemporary with its formation, many of whom were members of the convention which framed it, is of itself entitled to very great weight." *Burrow-Giles Lithographic Co.* v. *Sarony*, 111 U.S. 53, 57 (1884).

The first federal copyright statute, enacted by the First Congress in 1790, granted copyright protection to "any map, chart, book or books already printed within these United States." Act of May 31, 1790 (1790 Act), ch. 15, § 1, 1 Stat. 124; see *Eldred*, 537 U.S. at 194. At that time, many of the "map[s]," "chart[s]," and "books" "already printed" had no copyright protection. The unmistakable effect of the 1790 Act thus was to grant copyright protection to works that had previously been in the "public domain." See *Luck's Music Library*, 407 F.3d at 1265; Pet. App. 135.

a. Before passage of the 1790 Act, copyright was a matter of state law. Three States provided no statutory

copyright protection at all.[6] Of the ten States with operative copyright statutes, seven provided no protection for "maps" or "charts."[7] Consistent with the recommendation of the Continental Congress, eight States provided no protection for books already printed at the time of enactment.[8] And each of the ten States with operative statutes required authors to abide by certain formalities as a condition of eligibility for copyright protection.[9]

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[6] Delaware never enacted a copyright statute, and the copyright statutes in Maryland and Pennsylvania provided that they would not go into effect until all States had enacted similar copyright legislation. See Md. Copyright Act of 1783, § VI; Pa. Copyright Act of 1784, § VII. See generally Library of Cong., *Copyright Office Bull. No. 3, Copyright Enactments of the United States* 11-31 (2d ed. rev. 1906) (reprinting state statutes). Because Delaware never enacted copyright legislation, the copyright laws of Maryland and Pennsylvania never went into effect. See Bruce W. Bugbee, *Genesis of American Patent and Copyright Law* 123-124 (1967).

[7] See Mass. Copyright Act of 1783, para. 3; N.J. Copyright Act of 1783, § 1; N.H. Copyright Act of 1783, para. 2; R.I. Copyright Act of 1783, para. 2; S.C. Copyright Act of 1784, para. 1; Va. Copyright Act of 1785, § I; N.Y. Copyright Act of 1786, § I.

[8] See Resolution of May 2, 1783, 24 J. Cont'l Cong. 326 (Guillard Hunt ed., 1922) (encouraging States "to secure [copyright protection] to the authors or publishers of any new books not hitherto printed"); Conn. Copyright Act of 1783, para. 2; N.J. Copyright Act of 1783, § 1; N.C. Copyright Act of 1785, § I; Ga. Copyright Act of 1786, § I. In Massachusetts, New Hampshire, Rhode Island, and South Carolina, previously printed works were eligible for copyright protection, but an author could enforce his copyright only with respect to works that were "not yet printed" (Mass. Copyright Act of 1783, paras. 3-4; N.H. Copyright Act of 1783, paras. 2-3; R.I. Copyright Act of 1783, paras. 2-3), or those that were "hereafter published" (S.C. Copyright Act of 1784, paras. 1, 3).

[9] Connecticut, New Jersey, South Carolina, Virginia, North Carolina, Georgia, and New York had registration requirements. See Conn. Copyright Act of 1783, para. 3; N.J. Copyright Act of 1783, § 1; S.C.

Thus, when the first federal copyright law was enacted in 1790, state copyright statutes permitted members of the public to freely and lawfully exploit: (i) all "books," "charts," and "maps" in Delaware, Maryland, and Pennsylvania; (ii) all "maps" and "charts" in Massachusetts, New Jersey, New Hampshire, Rhode Island, South Carolina, Virginia, and New York; (iii) all "books" printed before 1783 in Connecticut, Massachusetts, New Jersey, New Hampshire, and Rhode Island, before 1784 in South Carolina, before 1785 in North Carolina, and before 1786 in Georgia; and (iv) any "books," "maps," or "charts" whose authors had failed to comply with applicable formalities.

All of these works would be in the "public domain" *unless* common law provided additional copyright protections. It did so with respect to unpublished works. But, as this Court recognized in *Wheaton* v. *Peters*, 33 U.S. (8 Pet.) 591 (1834), that protection expired upon first publication. As the Court held, "a perpetual and exclusive property in the future publication of the work, after the author shall have published it to the world," *id.* at 657, "does not exist at common law," *id.* at 663.[10]

Copyright Act of 1784, para. 3; Va. Copyright Act of 1785, § II; N.C. Copyright Act of 1785, § I; Ga. Copyright Act of 1786, § I; N.Y. Copyright Act of 1786, § I. Massachusetts and North Carolina had deposit requirements. Mass. Copyright Act of 1783, para. 4; N.C. Copyright Act of 1785, § I. And Massachusetts, New Hampshire, and Rhode Island imposed a notice requirement of printing the author's name with the work, thereby prohibiting copyright on pseudonymous works. Mass. Copyright Act of 1783, paras. 3-4; N.H. Copyright Act of 1783, paras. 2-3; R.I. Copyright Act of 1783, paras. 2-3.

[10] This Court has consistently reiterated that understanding. See, *e.g.*, *Mazer* v. *Stein*, 347 U.S. 201, 214-215 (1954) ("[S]tatute creates the copyright. It did not exist at common law even though he had a property right in his unpublished work.") (footnote omitted); *Caliga* v. *Inter*

Against this backdrop, the First Congress conferred federal copyright protection upon all "books," "maps," and "charts" "already printed." The effect of that enactment was to remove a number of existing works from the public domain. The First Congress's implicit determination that it possessed constitutional authority to take that step is "entitled to very great weight." *Burrow-Giles Lithographic Co.*, 111 U.S. at 57.

b. Petitioners do not dispute that state statutes left a number of works unprotected (and, thus, freely exploitable) before the 1790 Act. Nor do they contend that all of the States recognized a common-law copyright in published works. See 05-1259 Pet. C.A. Reply Br. 16 (conceding most States were "hostile" to post-publication common-law copyright). Petitioners argue instead that "[t]he Founders recognized copyrights existed at common law" (Br. 31); that New York recognized a perpetual common-law copyright in published works, and that "the scope of common law protection for published works" was otherwise "hotly contested" (*id.* at 32); and that, before 1790, there was "no public domain of the United States" (*id.* at 31). None of those arguments can obscure the fact that the First Congress took the very step petitioners contend is constitutionally impermissible—*i.e.*, that it granted copyright protection to works that were previously open to public exploitation.

Ocean Newspaper Co., 215 U.S. 182, 188 (1909) ("At common-law, the exclusive right to copy existed in the author until he permitted a general publication. Thus, when a book was published in print, the owner's common-law right was lost."); *Globe Newspaper Co.* v. *Walker*, 210 U.S. 356, 362 (1908) ("In this country the right of an author to multiply copies of books, maps, etc., after publication, is the creation of the Federal statutes.").

First, petitioners' generalized observation that "[t]he Founders recognized copyrights existed at common law" (Br. 31) elides the fact that the common-law right was limited to unpublished works. See *Wheaton*, 33 U.S. at 657, 660-661. Contrary to petitioners' contention (Br. 32 n.5), the Court's holding in *Wheaton* was not limited to Pennsylvania law. Rather, the *Wheaton* Court relied primarily on (i) the word "secure" in the 1790 Act, which it read as an indication that Congress was "creat[ing]" a new right, rather than "sanctioning an existing right"; and (ii) the unsettled nature of English common law at the time the colony of Pennsylvania was settled. 33 U.S. at 660-661. The first rationale is not specific to Pennsylvania, and the second equally applies to the other colonies (which were all settled at a time when English common law remained obscure).

Second, petitioners rely on *Capitol Records, Inc.* v. *Naxos of America, Inc.*, 830 N.E.2d 250 (N.Y. 2005), to argue that "New York common law provided perpetual common law protection for published works." Br. 32. Even if that were an accurate description of the *Capitol Records* court's holding, it says nothing about the status of common-law protection in the 12 other States.[11] Petitioners' contention that the existence of *post-publication* common-law copyright in those other States was "hotly contested" (*ibid.*) is based solely on the disagreement between the majority and dissenting Justices in *Wheaton* itself.

Finally, petitioners argue that the 1790 Act could not have removed works from the "public domain of the

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[11] Petitioners appear to overstate the holding of *Capitol Records*, which was limited to sound recordings. Indeed, the court recognized a critical distinction between sound recordings and literary works. 830 N.E.2d at 262-264.

United States" because, before 1790, "there was no federal copyright law, and no public domain of the United States by definition." Br. 31. That argument lacks merit. In asserting that the works at issue in this case were within the "public domain of the United States" before Section 514 was enacted, petitioners do not and cannot contend that any federal statute affirmatively authorized the public to exploit those works. Rather, petitioners simply mean that no provision of federal law protected the works from public exploitation. Because the term "public domain" refers to the *absence* of copyright protection, it makes no sense to say that the "public domain of the United States" did not exist until the first federal copyright law was enacted. The clear practical effect of the 1790 Act was to confer federal copyright protection upon many works that were previously subject to unrestricted exploitation by the public. Enactment of a law having that effect reflects Congress's implicit understanding that its powers under the Copyright Clause extended to works in the public domain.

2. ***Subsequent Congresses also restored copyright and patent protection to works and inventions in the public domain***

On several subsequent occasions, Congress restored copyright and patent protection to works and inventions that had previously entered the public domain. See *Eldred*, 537 U.S. at 201 ("Because the Clause empowering Congress to confer copyrights also authorizes patents, congressional practice with respect to patents informs our inquiry."). Petitioners' understanding of the Copyright Clause as categorically prohibiting such restoration is inconsistent with that historical practice.

a. In 1808, Congress passed the first special act restoring patent protection to an invention in the public domain. Oliver Evans's patent for milling powder had expired on January 7, 1805. P.J. Federico, *The Patent Trials of Oliver Evans*, 27 J. Pat. Off. Soc'y 586, 597 (1945) (Federico). Three years later, Congress passed a private bill reissuing Evans a new patent for a full term. Act of Jan. 21, 1808, ch. 13, 6 Stat. 70. That bill was signed by then-President Thomas Jefferson (the first administrator of the patent system, and perhaps the Founder with the narrowest view of the copyright and patent powers), and the patent was issued by Secretary of State James Madison (who had drafted the Constitution's "limited Times" language). See Federico 606; *Eldred*, 537 U.S. at 202 n.8. During the three-year interval between expiration of the original patent and issuance of the new, "no patent was in force and no restrictions, legal or moral, existed to the general use of the milling machinery without license." Federico 607.

On many other occasions in the 19th century, Congress similarly restored individual patents, each time removing inventions from the public domain. *E.g.*, Act of June 30, 1834, ch. 213, 6 Stat. 589; Act of Mar. 3, 1843, ch. 131, 6 Stat. 895; Act of May 30, 1862, ch. 88, 12 Stat. 904; Act of June 11, 1878, ch. 187, 20 Stat. 542. During roughly the same period, Congress also enacted several private bills restoring copyright protection to individual works that had fallen into the public domain (often because the author had failed to comply with statutory formalities). *E.g.*, Act of Feb. 19, 1849 (Corson Act), ch. 57, 9 Stat. 763; Act of June 23, 1874 (Helmuth Act), ch. 534, 18 Stat. 618; Act of Feb. 17, 1898 (Jones Act), ch. 29, 30 Stat. 1396. Congress sometimes granted special protections to persons who had used the belatedly

copyrighted works while they were in the public domain, see Corson Act § 1, 9 Stat. 763, but other private bills contained no such accommodations, see Helmuth Act, 18 Stat. 618; Jones Act, 30 Stat. 1396.

Although the copyright bills were never challenged in court, the patent bills were. As this Court recognized in *Eldred*, 537 U.S. at 202, those laws were uniformly upheld by Chief Justice Marshall, by Justice Story, and by this Court in a unanimous opinion written by Justice Bushrod Washington (a member of the 1787 Virginia House of Delegates that ratified the Constitution). See *Evans* v. *Jordan*, 8 F. Cas. 872 (C.C.D. Va. 1813) (No. 4564) (Marshall, Circuit Justice), aff'd, 13 U.S. (9 Cranch) 199 (1815); *Blanchard* v. *Sprague*, 3 F. Cas. 648 (C.C.D. Mass. 1839) (No. 1518) (Story, Circuit Justice); *Jordan* v. *Dobson*, 13 F. Cas. 1092 (C.C.E.D. Pa. 1870) (No. 7519) (Strong, Circuit Justice); *The Fire-Extinguisher Case*, 21 F. 40 (C.C.D. Md. 1884). In *Evans*, this Court described the question before it as "whether, after the expiration of the original patent granted to [Evans], a general right to use his discovery was not so vested in the public as to require and justify a construction" of the private bill that would permit the continued use of machinery "erected subsequent to the expiration of the original patent and previous to the passage of the [private bill]." *Evans* v. *Jordan*, 13 U.S. (9 Cranch) 199, 202 (1815) (Washington, J.). The Court unanimously held that the private bill did not permit continued use of the machinery. *Id.* at 203 (concluding that Congress chose not to further extend the protections and that "this Court would transgress the limits of judicial power" if it were to do so).

Justice Story reached the same conclusion while sitting as circuit justice in a later case. He rejected the

argument that renewal of a patent was unconstitutional because "it operates retrospectively to give a patent for an invention, which, though made by the patentee, was in public use and enjoyed by the community at the time of the passage of the act." *Blanchard*, 3 F. Cas. at 650. Justice Story explained that he "never ha[d] entertained any doubt of the constitutional authority of congress to make such a grant." *Ibid.*

b. In addition to the private bills described above, Congress has also enacted several generally applicable laws restoring copyright or patent protection to works or inventions in the public domain.

In 1832, Congress provided for a "new patent to be granted" to an inventor whose original patent was "invalid or inoperative" for failure to comply with statutory formalities "by inadvertence, accident, or mistake." Act of July 3, 1832, ch. 162, § 3, 4 Stat. 559. While recognizing that many of the relevant inventions had previously been subject to free exploitation by the public, Congress specifically directed that "no public use or privilege of the invention so patented * * * shall, in any manner, prejudice [the inventor's] right of recovery for any use or violation of his invention after the grant of such new patent." *Ibid.* And in 1893, Congress provided that authors who had failed to comply timely with the deposit requirement would still "be entitled to all the rights and privileges" of the Copyright Act, so long as they had satisfied that requirement by March 1, 1893. Act of Mar. 3, 1893, ch. 215, 27 Stat. 743.

In 1919 and 1941, Congress authorized the President to grant protection to foreign works that had fallen into the public domain during World War I and World War II. See Act of Dec. 18, 1919 (1919 Act), ch. 11, 41 Stat. 368; Act of Sept. 25, 1941 (1941 Act), ch. 421,

55 Stat. 732. Six presidents, including Woodrow Wilson, Warren Harding, Franklin Roosevelt, Harry Truman, Dwight Eisenhower, and Lyndon Johnson, issued proclamations pursuant to those Acts and thereby removed works from the public domain. In 1944, for example, President Roosevelt excused noncompliance with copyright formalities for British works published abroad on or after September 3, 1939, and he permitted the authors or proprietors of such works to comply with the terms of the Copyright Act nunc pro tunc and thereby receive restored protection. See Proclamation No. 2608, 3 C.F.R. 19 (1943-1948); see also Proclamation No. 3792, 3 C.F.R. 132 (1966-1970) (restoring copyright protection to German works subject to copyright or renewal between September 3, 1939, and May 5, 1956, upon compliance with formalities within one year of proclamation).[12] Reflecting Congress's recognition that certain members of the public had used the restored works while they were in the public domain, the 1919 Act did not "deprive any person of any right which he may have acquired by the republication of such foreign work in the United States prior to the approval of this Act." 1919 Act, 41 Stat. 369. The 1941 Act provided only that such parties were not liable for uses prior to the proclamation and that they could continue to exploit the works for one year. 1941 Act, 55 Stat. 732; H.R. Rep. No. 619, 77th

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[12] See also Proclamation of Apr. 10, 1920, 41 Stat. 1790 (Great Britain); Proclamations of May 25, 1922, 42 Stat. 2271 (Germany), 2273 (Austria), 2274 (New Zealand); Proclamations of June 3, 1922, 42 Stat. 2276 (Italy), 2277 (Hungary); Proclamation No. 2722, 3 C.F.R. 107 (1943-1948) (France); Proclamation No. 2729, 3 C.F.R. 113 (1943-1948) (New Zealand); Proclamation No. 2868, 3 C.F.R. 45 (1949-1953) (Australia); Proclamation No. 2953, 3 C.F.R. 137 (1949-1953) (Finland); Proclamation No. 3353, 3 C.F.R. 79 (1959-1963) (Austria).

Cong., 1st Sess. 2 (1941) (describing the 1941 Act as providing "adequate[]" protection to the "rights lawfully exercised by American users or publishers of copyrighted works[,] protection of which ha[d] lapsed").

Although none of these statutes appears to have been challenged in court, this Court addressed a comparable issue in *McClurg* v. *Kingsland*, 42 U.S. (1 How.) 202 (1843). In *McClurg*, the Court held that an 1839 amendment had revived a disputed patent that "would have been void" under prior law. *Id.* at 207, 208-209. The Court explained that the applicable law "depend[s] on the law as it stood at the emanation of the patent, together with such changes as have since been made; for though they may be retrospective in their operation, that is not a sound objection to their validity." *Id.* at 206. Under the law existing at the time the process was patented (1834-1835), the issued patent "would have been void" because the patentee had allowed his employer briefly to practice the invention before obtaining the patent. *Id.* at 207. The 1839 amendment, however, exempted brief uses by an employer and, accordingly, "relieved" the patentee "from the effects of former laws," *id.* at 209, rendering the patent "valid, retroactive to the time it issued," *Eldred*, 537 U.S. at 203.[13]

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[13] In *Eldred*, this Court described *McClurg* as approving "the legislative expansion of existing patents." 537 U.S. at 202; see *id.* at 203 n.9. But *McClurg* involved an "existing" patent only in the sense that a patent had in fact been issued. At the time of issuance, however, the patent was "void" under the governing law. The effect of the intervening statute therefore was to confer patent rights that had not previously existed, and thus to render unlawful infringing conduct that would previously have been legal, rather than simply to extend the term of patent protection.

c. Petitioners suggest that the 1919 and 1941 Acts were simply responses to the "exigency of wartime," and that the various private bills reflected the "specific circumstances of the people involved." Br. 40. But if petitioners' basic constitutional theory were correct—*i.e.*, if extension of copyright protection to works in the public domain were categorically beyond the scope of Congress's powers under the Copyright Clause—neither the "exigency of wartime" nor the "specific circumstances" of a particular case would justify the statutes described above. Petitioners also note (Br. 39, 40) that neither the 1919 and 1941 Acts nor the private copyright bills were challenged in court. The private patent bills *were* challenged, however, and they were uniformly upheld. See *Eldred*, 537 U.S. at 202.

Petitioners also rely (Br. 22, 41) on this Court's statement (in dicta) that "Congress may not authorize the issuance of patents, whose effects are to remove existent knowledge from the public domain, or to restrict free access to materials already available." *Graham*, 383 U.S. at 6. As this Court recognized in *Eldred*, however, "[t]he controversy in *Graham* involved no patent extension. *Graham* addressed an invention's very eligibility for patent protection, and spent no words on Congress' power to enlarge a patent's duration." 537 U.S. at 202 n.7; see *Luck's Music Library*, 407 F.3d at 1266; Pet. App. 83-85.

Read in context, the statement on which petitioners rely is best understood as a corollary to the proposition that Congress may not "enlarge the [intellectual] monopoly without regard to the innovation, advancement or social benefit gained thereby." *Graham*, 383 U.S. at 6. Just as the Copyright Clause authorizes the issuance of copyrights only to "Authors," it authorizes the issuance

of patents only to "Inventors," and it therefore does not empower Congress to grant monopolies on extant inventions (*e.g.*, as a form of patronage) to persons having no nexus to the creation or discovery. *Graham*'s dicta cannot reasonably be read to overrule prior decisions *sub silentio*, particularly when those decisions (unlike *Graham*) spoke directly to this issue. See *Eldred*, 537 U.S. at 202 n.7 (rejecting dissent's contention that *Graham* "flatly contradicts" cases like *Evans* and *Blanchard*) (citation omitted).[14]

Unlike the grant of a patent, moreover, copyright cannot "remove existent *knowledge* from the public domain." *Graham*, 383 U.S. at 6 (emphasis added). Copyright protects only the author's particular expression and (unlike a patent) does not bar others from exploiting the underlying idea or knowledge. See *Eldred*, 537 U.S. at 217 (The Constitution provides more lenient standards for exercises of the copyright power because a

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[14] Read in the broad manner that petitioners advocate, the *Graham* dicta would contradict important principles of patent law. Issuance of a patent often has the effect of preventing persons other than the patentee from continuing to engage in conduct that was previously lawful. Cf., *e.g.*, *RCA* v. *Radio Eng'g Labs., Inc.*, 293 U.S. 1, 3 (1934) (explaining that each of four competing claimants, "acting independently, had made the same or nearly the same discovery at times not widely separate," but that "[t]he prize of an exclusive patent falls to the one who had the fortune to be first"). Under the Patent Act in its current form, moreover, an inventor is not entitled to a patent if his invention was "in public use or on sale in this country, more than one year prior to the date of the application for patent in the United States." 35 U.S.C. 102(b). The evident import of that provision is that prior public use or sale does *not* categorically bar issuance of a patent if that use or sale occurred *less* than one year before the patent application was filed. The Patent Act thus significantly restricts, but does not eliminate, the inventor's right to seek a patent after his invention has entered the public domain.

"copyright gives the holder no monopoly on any knowledge" and the reader "may make full use of any fact or idea she acquires from her reading."); *Mazer*, 347 U.S. at 217 ("Unlike a patent, a copyright gives no exclusive right to the art disclosed; protection is given only to the expression of the idea—not the idea itself."). Indeed, the only mention of the copyright component of the Clause in *Graham* was a footnote stating that it is "not relevant here." 383 U.S. at 5 n.1. Language "extract[ed]" from a patent decision that is "not trained on" the restoration of patent protection provides no support for petitioners' categorical rule. *Eldred*, 537 U.S. at 217.

d. Petitioners observe (Br. 19, 37 & n.6) that, when Congress has lengthened the general period of copyright protection conferred by federal law, it has typically made the extensions applicable only to works whose copyrights had not yet expired. They also identify (Br. 34-36) several occasions on which Congress chose not to extend newly enacted protections to works that had already entered the public domain when the new protections were adopted. Petitioners are correct that, when Congress has expanded the scope of copyright protection, either by lengthening the term of protection or by making additional categories of works copyrightable, its more common practice has been to limit those expansions to works that were not yet in the public domain. But the fact that Congress has, more often than not, limited the scope of such enactments does not mean that it was constitutionally required to do so. That is particularly clear given the frequency with which Congress has departed from the general rule, and the uniformly favorable judicial rulings that have ensued when analogous departures in the patent context were challenged in court.

e. Petitioners cite various decisions of this Court for the "unremarkable" proposition (Pet. App. 118) that the public has a "federal right to 'copy and use'" works that are in the public domain. See Br. 16, 21-22, 45, 47 (quoting *Dastar Corp.* v. *Twentieth Century Fox Film Corp.*, 539 U.S. 23, 34 (2003)). Those decisions do not suggest, however, that the "federal right" is a *constitutional* right or a restriction on the power of Congress. Rather, the Court has described the relevant "federal policy" as one "of allowing free access to copy *whatever the federal patent and copyright laws leave in the public domain*," *Compco Corp.* v. *Day-Brite Lighting, Inc.*, 376 U.S. 234, 237 (1964) (emphasis added)—a formulation that, by its terms, makes the right to copy contingent on the scope of federal patent and copyright statutes.

In enforcing that "federal policy," this Court has held to be preempted state laws that conferred patent-like protection on inventions that were not patentable under federal law. See *Bonito Boats, Inc.* v. *Thunder Craft Boats, Inc.*, 489 U.S. 141, 152 (1989) (invalidating state law granting protections to inventions in the public domain because it "clashe[d] with the balance struck by Congress in our patent laws"); *Compco Corp.*, 376 U.S. at 237-238 (similar holding). The Court has also applied a rule of construction under which ambiguous provisions of other federal statutes will not be construed to confer copyright-like protection on materials that are unprotected by the Copyright Act. See *Dastar Corp.*, 539 U.S. at 34 (rejecting proposed interpretation of Lanham Act that would have "create[d] a species of mutant copyright law" whose terms were inconsistent with more specific copyright provisions). The thrust of those decisions, however, is that courts in applying other laws should respect the various balances struck by Congress in its

patent and copyright statutes. Petitioners' effort to invoke those rulings as a constitutional limitation on congressional power turns the decisions on their head.

C. Section 514 Is A Rational Exercise Of Congress's Copyright Clause Authority

On the question whether Section 514 "is a rational exercise of the legislative authority conferred by the Copyright Clause," this Court "defer[s] substantially to Congress." *Eldred*, 537 U.S. at 204; see *Sony Corp. of Am.* v. *Universal City Studios, Inc.*, 464 U.S. 417, 429 (1984) ("[I]t is Congress that has been assigned the task of defining the scope of the limited monopoly that should be granted to authors * * * in order to give the public appropriate access to their work product."). As the only two courts of appeals to consider the issue have held (Pet. App. 85; *Luck's Music Library*, 407 F.3d at 1264-1266), Section 514 easily satisfies that deferential standard. Ensuring compliance with international obligations, securing greater protections for American authors abroad, and remedying past inequalities are legitimate (indeed, important) governmental objectives, and Section 514 is a rational means of achieving them. See Part II.B, *infra*. And the policy determinations (including the various balances between competing interests) reflected in Section 514 are precisely the sorts of "judgments * * * Congress typically makes, judgments [the Court] cannot dismiss as outside the Legislature's domain." *Eldred*, 537 U.S. at 205. As in *Eldred*, this Court should again decline "to second-guess congressional determinations and policy judgments of this order." *Id.* at 208.[15]

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[15] If the Court concludes that Congress exceeded its authority under the Copyright Clause, but that Section 514 does not violate the First

II. SECTION 514 IS CONSISTENT WITH THE FIRST AMENDMENT

As this Court reaffirmed in *Eldred*, "it is generally for Congress, not the courts, to decide how best to pursue the Copyright Clause's objectives." 537 U.S. at 212. The "[j]udicial deference" reflected in the familiar "rational basis" standard "is 'but a corollary to the grant to Congress of any Article I power.'" *Id.* at 213, 218 (quoting *Graham*, 383 U.S. at 6). The Copyright Clause differs from other Article I provisions, however, in that the very purpose of copyright protection is to limit the manner in which expressive works may be used. The imposition of some restrictions on expressive activity is therefore the intended and inherent effect of *every* grant of copyright. If the existence of those restrictions were treated as a ground for heightened judicial scrutiny under the First Amendment, the principle of deference to Copyright Clause legislation would effectively be negated.

Because Section 514 is a rational exercise of authority conferred on Congress by the Copyright Clause, and because the restrictions of which petitioners complain are simply inherent and traditional features of copyright protection, "further First Amendment scrutiny is unnecessary." *Eldred*, 537 U.S. at 221. But even if Section 514 were subject to heightened First Amendment scru-

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Amendment (see Part II, *infra*), it should remand for the court of appeals to determine in the first instance whether Section 514 can be upheld as an exercise of one of Congress's other enumerated powers. The United States preserved this issue below, see Br. in Opp. 17 n.9; 05-1259 Gov't C.A. Br. 56 n.23, but because the lower courts concluded that Section 514 was a valid exercise of Congress's Copyright Clause authority, neither court passed on it.

tiny, the provision would be constitutional because it is narrowly tailored to further important governmental interests and does not burden substantially more speech than necessary.

A. Section 514 Does Not Trigger Heightened First Amendment Scrutiny

In *Eldred*, this Court stated that, when "Congress has not altered the traditional contours of copyright protection, further First Amendment scrutiny is unnecessary." 537 U.S. at 221. On the initial appeal in this case, the Tenth Circuit misread that statement to mandate a freestanding inquiry into whether particular copyright legislation alters any "traditional contour[]" or "time-honored tradition" of copyright protection. See Pet. App. 79, 87, 98. It also misread the historical record to find that "one of these traditional contours is the principle that once a work enters the public domain, no individual—not even the creator—may copyright it." *Id.* at 79; see *id.* at 89-98. Petitioners' First Amendment argument (Br. 42-47) rests on the same two erroneous premises. That reading is inconsistent with *Eldred*, irreconcilable with established First Amendment doctrine, and unworkable in practice.[16]

1. In *Eldred*, the Court rejected the "petitioners' plea for imposition of uncommonly strict scrutiny [*i.e.*, the "heightened judicial review" applicable to "content-neutral regulation"] on a copyright scheme that incorpo-

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[16] Petitioners' reading is also inconsistent with the views of every other court to consider this issue. See *Kahle* v. *Gonzales*, 487 F.3d 697, 700 (9th Cir. 2007), cert. denied, 552 U.S. 1096 (2008); *Chicago Bd. of Educ.* v. *Substance, Inc.*, 354 F.3d 624, 631 (7th Cir. 2003), cert. denied, 543 U.S. 816 (2004); *Luck's Music Library, Inc.* v. *Ashcroft*, 321 F. Supp. 2d 107, 119 (D.D.C. 2004), aff'd, 407 F.3d 1262 (D.C. Cir. 2005).

rates its own speech-protective purposes and safeguards." 537 U.S. at 218-219. The Court explained that "[t]he Copyright Clause and First Amendment were adopted close in time," and that "[t]his proximity indicates that, in the Framers' view, copyright's limited monopolies are compatible with free speech principles." *Id.* at 219. The Court further observed that "copyright's purpose is to *promote* the creation and publication of free expression," *ibid.*, by "suppl[ying] the economic incentive to create and disseminate ideas," *ibid.* (quoting *Harper & Row Publishers, Inc.* v. *Nation Enters.*, 471 U.S. 539, 558 (1985)).

The Court also explained that copyright law "contains built-in First Amendment accommodations." *Eldred*, 537 U.S. at 219. The Copyright Act preserves the "idea/expression dichotomy," which "strike[s] a definitional balance between the First Amendment and the Copyright Act by permitting free communication of facts while still protecting an author's expression." *Ibid.* (brackets in original) (quoting *Harper & Row*, 471 U.S. at 556); see 17 U.S.C. 102(b) ("In no case does copyright protection * * * extend to any idea * * * [or] concept."). The Act also provides a "fair use" defense that allows the public to use the copyrighted "expression" (in addition to the facts and ideas contained therein) "in certain circumstances," *Eldred*, 537 U.S. at 219, and "affords considerable 'latitude for scholarship and comment,'" *id.* at 220 (quoting *Harper & Row*, 471 U.S. at 560); see 17 U.S.C. 107 (fair-use defense). The Court noted as well that "[t]he First Amendment securely protects the freedom to make—or decline to make—one's own speech; it bears less heavily when speakers assert the right to make other people's speeches." *Eldred*, 537 U.S. at 221.

After discussing the ways in which the CTEA "supplement[ed] the[] traditional First Amendment safeguards," *Eldred*, 537 U.S. at 220, the Court concluded:

> To the extent [the petitioners'] assertions raise First Amendment concerns, copyright's built-in free speech safeguards are generally adequate to address them. We recognize that the D.C. Circuit spoke too broadly when it declared copyrights "categorically immune from challenges under the First Amendment." But when, as in this case, Congress has not altered the *traditional contours of copyright protection*, further First Amendment scrutiny is unnecessary.

Id. at 221 (emphasis added; citation omitted). And, in a footnote to the last sentence quoted above, the Court reiterated that "it is appropriate to construe copyright's internal safeguards to accommodate First Amendment concerns." *Id.* at 221 n.24.

Read in context, the phrase "traditional contours of copyright protection" is best understood to refer to the principles that have historically defined the boundary between an author's exclusive rights in his own works and the right of the public to engage in independent expression, including speech about the copyrighted works and discussion of the facts and ideas contained therein. The idea/expression dichotomy and the "fair use" defense—the traditional limits on copyright protection ("built-in First Amendment accommodations") that the Court identified earlier in its opinion, *Eldred*, 537 U.S. at 219-220—are of particular significance in defining that boundary. Section 514 does nothing to alter the traditional balance between the rights of the copyright holder and those of the public. If petitioners or others

are sued for infringing copyrights that have been restored under Section 514, they may assert a "fair use" defense or rely on the idea/expression dichotomy, and the issues raised by such arguments will be resolved under pre-existing Copyright Act provisions (see 17 U.S.C. 102(b), 107), rather than under any rule specific to the URAA. To determine whether particular conduct infringes a restored copyright, courts likewise must apply the pre-existing Copyright Act provisions (*e.g.*, 17 U.S.C. 106, 501(a)) that address that question. See 17 U.S.C. 104A(d)(1) and (2). And the type of conduct in which petitioners wish to engage (*i.e.*, the unauthorized exploitation for their own purposes of works created by others, Pet. Br. 10-11) is precisely the sort of conduct that copyright law has traditionally prohibited.

2. Contrary to petitioners' contention (Br. 44), the speech interests asserted in this case are not meaningfully different from those asserted in *Eldred*. The practical effect of both the CTEA and Section 514 is to limit, for finite temporal periods, the use of a defined category of works of authorship that would have been subject to unrestricted public exploitation in the United States if those statutes had not been enacted. And the substantive restrictions on exploitation of copyrighted works were the same in both instances, since those restrictions were imposed by pre-existing Copyright Act provisions rather than by the CTEA and Section 514 themselves.

The fact that the URAA restores copyright in works that had previously entered the public domain does not meaningfully alter the First Amendment calculus. Because Section 514 prohibits only those "act[s] of infringement" that occur "on or after the date" that a copyright is restored, 17 U.S.C. 104A(d)(1) and (2), it does not retroactively impose penalties on conduct that was lawful

when it occurred. And petitioners cite no decision suggesting that, if a particular restriction on expressive activity is otherwise consistent with the First Amendment, a person who has previously engaged in the now-proscribed conduct can assert a "vested" (Br. 45) right to continue doing so.

In some of its applications, Section 514 may diminish the value of investments that petitioners made under the prior legal regime. At least as a general matter, however, that sort of economic effect is insufficient to establish a constitutional violation. See, *e.g.*, *Lucas* v. *South Carolina Coastal Council*, 505 U.S. 1003, 1027-1028 (1992). And more fundamentally, a constitutional claim premised on alleged disappointment of investment-backed expectations would more naturally be brought under the Due Process or Just Compensation Clause. Petitioners abandoned their due process argument below, see note 4, *supra*; they have not asserted a takings claim; and they identify nothing in this Court's precedents suggesting that disappointment of investment-backed expectations can raise First Amendment concerns simply because the relevant investments pertain to expressive activities.[17]

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[17] Different constitutional issues would be posed if Congress enacted copyright legislation that transgressed some independent First Amendment prohibition, *e.g.*, by making copyright protection dependent on the viewpoint of the author. "[T]he government may proscribe libel" based on its libelous character, "but it may not make the further content discrimination of proscribing *only* libel critical of the government." *R.A.V.* v. *City of St. Paul*, 505 U.S. 377, 384 (1992). By the same token, the restrictions traditionally associated with copyright law could not constitutionally be imposed on a viewpoint-discriminatory basis. But nothing of that sort is at issue here. For purposes of this case, the salient points are that (a) the restrictions traditionally imposed by copyright law, in and of themselves, cannot properly be treated as a trigger

3. If the court of appeals' understanding of the "traditional contours of copyright protection" were adopted, a broad range of (past and future) Copyright Act amendments would be subject to heightened First Amendment scrutiny. For example, Congress's decisions to extend copyright protection to "sound recordings" (Act of Oct. 15, 1971, Pub. L. No. 92-140, 85 Stat. 391 (17 U.S.C. 102(a)(7))) and "architectural works" (Architectural Works Copyright Protection Act, Pub. L. No. 101-650, Tit. VII, 104 Stat. 5133 (17 U.S.C. 102(a)(8))) reflected departures from prior copyright practice at the time those amendments were enacted. If novelty alone were a sufficient basis for heightened First Amendment review, the rule of deference to Copyright Clause legislation would be substantially undermined.

In any event, petitioners are wrong in asserting that the extension of copyright protection to works that were previously in the public domain reflects a "dramatic and unprecedented" departure from traditional norms. Br. 43. Beginning in 1790, Congress has frequently taken that step, including through restoration of copyright in foreign works. See Part I.B, *supra*; Patry § 24:51, at 24-110 ("[O]ne traditional contour of U.S. copyright *is* restoring certain foreign works that have fallen into the public domain.").

4. The same two First Amendment "supplements" on which the Court relied in *Eldred*, 537 U.S. at 220, apply here as well. Section 108(h) of Title 17 "allows libraries, archives, and similar institutions to 'reproduce' and 'distribute, display, or perform in facsimile or digital

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for heightened First Amendment scrutiny (see pp. 37-38, *supra*); and (b) the application of such restrictions to previously exploitable works does not violate any independent First Amendment norm (see pp. 38-39, *supra*).

form' copies of certain published works 'during the last 20 years of any term of copyright . . . for purposes of preservation, scholarship, or research' if the work is not already being exploited commercially and further copies are unavailable at a reasonable price." *Ibid.* (quoting 17 U.S.C. 108(h)). Section 110(5)(B) likewise continues to "exempt[] small businesses, restaurants, and like entities from having to pay performance royalties on music played from licensed radio, television, and similar facilities." *Ibid.* (citing 17 U.S.C. 110(5)(B)). And Title 17 contains a host of other exclusions from a copyright holder's enforcement rights. See 17 U.S.C. 108-122 (2006 & Supp. III 2009). Particularly significant here (given petitioners' asserted speech interests), Section 110 precludes an infringement action for certain musical performances undertaken for nonprofit, educational, or charitable purposes. See 17 U.S.C. 110.

The URAA provides additional accommodations to potential users of newly copyrighted works. All persons in the United States were allowed to make additional copies of and otherwise use the affected works for an additional year after enactment of the URAA. See p. 6, *supra*. Reliance parties may continue exploiting the restored works unless and until the copyright holder gives notice of his intent to enforce, either by filing a notice with the Copyright Office within two years of restoration, or by directly notifying a particular reliance party. 17 U.S.C. 104A(c), (d)(2)(A)(i) and (B)(i). The two-year period for filing a general notice with the Copyright Office expired on January 1, 1998, and notices for fewer than 50,000 works were received. See U.S. Copyright Office, *Notices of Restored Copyrights*, http://

www.copyright.gov/gatt.html.[18] Even after receiving notice, a reliance party may continue to exploit any existing copies of the restored works for an additional year. 17 U.S.C. 104A(d)(2)(A)(ii) and (B)(ii). And Section 514 provides additional protections to persons who have actually used works subject to a restored copyright as a "building block[]" (Pet. Br. 16) to create an original work. 17 U.S.C. 104A(d)(3) (governing derivative works); see pp. 6-7, *supra*.

B. Section 514 Satisfies Any Potentially Applicable Standard Of First Amendment Review

For the reasons set forth above, Section 514 should be reviewed under the deferential rational-basis standard that generally applies to Copyright Clause legislation. But to the extent any heightened First Amendment scrutiny is appropriate, the parties agree (and the lower courts correctly held) that Section 514 is a content-neutral regulation of speech and, as such, is subject to intermediate scrutiny. See Pet. Br. 47; Pet. App. 11, 51. Under intermediate scrutiny, "[a] content-neutral regulation will be sustained * * * if it advances important governmental interests unrelated to the suppression of free speech and [if it] does not burden substantially more speech than necessary to further those interests." *Turner Broad. Sys., Inc.* v. *FCC*, 520 U.S. 180, 189 (1997) (*Turner II*). That inquiry demands considerable deference to Congress's findings, "lest [the Court] infringe on traditional legislative authority to make predictive judgments." *Id.* at 196. Such deference is particularly due where, as here, Congress is legislat-

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[18] If additional countries join the Berne Convention or the WTO, the two-year time period will run anew for restored works from those countries. See 17 U.S.C. 104A(h)(1) and (2)(B).

ing on matters relating to the Nation's foreign relations with other sovereigns. See *Holder* v. *Humanitarian Law Project*, 130 S. Ct. 2705, 2727 (2010) (*HLP*); *Boos* v. *Barry*, 485 U.S. 312, 320, 329 (1988); *Regan* v. *Wald*, 468 U.S. 222, 242-243 (1984).

Section 514 furthers at least three important government interests: (1) it ensures compliance with international obligations; (2) it secures greater protections for American authors abroad; and (3) it remedies historical inequalities in the copyright system. For the reasons that follow, those interests are sufficiently weighty, and the means chosen by Congress sufficiently tailored to their achievement, to sustain the legislation even under intermediate scrutiny. *Ipso facto*, those interests provide the requisite rational basis for upholding Section 514 under the appropriate deferential standard.

1. Section 514 is narrowly tailored to ensure both actual and perceived compliance with international obligations

Petitioners acknowledged that "[p]articipating in and complying with Berne may represent an important [g]overnment interest," and that "there may have been substantial evidence suggesting the failure to comply with Berne would subject the United States to trade sanctions and other real harms." Pet. 30-31, 35. They also have not disputed that the Berne Convention requires the restoration of copyright for works in the public domain. See 09-1234 & 09-1261 Pet. C.A. Br. 31 ("There is no dispute the Berne Convention requires the restoration of copyrights."); Pet. App. 56 ("It is not disputed that the Berne Convention requires the restoration of copyrights to foreign authors."). They contend (Br. 54-59), however, that Section 514 sweeps too

broadly because the United States could have complied with Berne while fully immunizing reliance parties from all prospective infringement liability. That argument lacks merit.

a. Realization of the full benefits of membership in the Berne Convention depends not simply on our government's own assessment of its treaty obligations, but also on how international partners are likely to perceive the United States' actions. Section 514 minimizes the likelihood that other countries who are parties to TRIPS will bring actions under the WTO dispute settlement mechanism to challenge the United States' implementation of Article 18 of Berne. It also protects the United States against trade sanctions, and it ensures that the United States will maintain its international credibility. Congress and the Executive Branch reasonably concluded that any "restoration" that allowed reliance parties to continue exploiting otherwise restored works unchecked, on a permanent basis, would not adequately achieve those objectives. Cf. *Eldred*, 537 U.S. at 259 (Breyer, J., dissenting) (contrasting the purpose of the CTEA with "an American effort to conform to an important international treaty like the Berne Convention").

b. In 1989, when the United States joined the Berne Convention and first enacted implementing legislation, Congress adopted a "minimalist approach" and determined that the "difficult question[]" of Article 18 compliance required a "more thorough examination."[19] *Berne*

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[19] Petitioners emphasize (Br. 6-7, 36, 52) that the United States did not implement Article 18 of the Berne Convention when it joined in 1989, yet still declared that it was in compliance with Berne's mandates. Petitioners also observe (Br. 6) that restoration of copyright to works in the public domain was viewed by some as raising significant constitutional concerns. Subsequent congressional deliberations made clear,

House Report 7, 51-52; *URAA Report* 225; *Joint Hearing* 131, 157. That more thorough examination culminated in the 1994 enactment of the URAA.

The TRIPS Agreement, which requires parties to comply with Article 18 of Berne, was adopted by the United States and its international partners in 1994. See TRIPS, *supra* note 1, Arts. 9.1, 14.6. In the context of considering implementing legislation for TRIPS, Congress learned that some Berne member nations had expressed the view that the United States was not in compliance with Article 18. *E.g.*, *Joint Hearing* 147, 248. Unlike the Berne Convention itself, TRIPS is subject to the WTO's formal and binding dispute resolution proceedings, which can result in (among other things) the imposition of trade sanctions. See p. 4, *supra*. Indeed, the Executive Branch advised Congress that it was "likely that other WTO members would challenge the current U.S. implementation of Berne Article 18." *Joint Hearing* 137 (statement of Ira S. Shapiro, Gen. Counsel, Office of the U.S. Trade Representative (USTR)); accord *id.* at 241, 248 (statement of Eric H. Smith, Exec. Director, Int'l Intellectual Prop. Alliance) ("[T]he risk is great that, if the U.S. does not take legislative action implementing recapture under TRIPS (and Berne), it may be the first country to appear before such a panel as a defendant," "and * * * we may lose that case.").

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however, that the "Constitutional * * * considerations" thought to be implicated by restoration of copyrights (*Berne House Report* 52) were primarily grounded in the Just Compensation Clause. See *Joint Hearing* 3, 121, 145-162, 176-186, 187-213, 229-232. Congress addressed those concerns by amending the proposed legislation to incorporate additional protections for the authors of derivative works, see 17 U.S.C. 104A(d)(3), and petitioners have not asserted a takings claim, see p. 39, *supra*.

Against that backdrop, Congress and the Executive Branch revisited implementation of Article 18, and Congress enacted Section 514 of the URAA.

c. Petitioners identify various means by which (in their view) Congress might have implemented the Berne Convention while burdening "substantially less speech" (Br. 54). Those arguments provide no sound basis for invalidating the considered balance that Congress actually struck.

Petitioners assert (Br. 54-56) that under Article 18(3) of the Berne Convention, the United States could have entered into "special conventions" with Berne member nations to avoid restoration altogether. There is no reason to suppose, however, that each of the more than 160 Berne or WTO members would have entered into bilateral or multilateral agreements exempting the United States from the requirements of Article 18, and any effort to negotiate such agreements would have been an extremely arduous diplomatic undertaking. Moreover, agreements along those lines would have directly contravened the government's other important interests: ensuring adequate protections for U.S. copyrighted works abroad (Part II.B.2, *infra*) and remedying historical inequalities in the copyright system (Part II.B.3, *infra*).

Second, petitioners observe that Article 18(3) of the Berne Convention permits member nations to "determine, each in so far as it is concerned, the conditions of application of this [restoration] principle." Br. 56 (citation omitted). Petitioners argue that the United States could have invoked that provision as a ground for permitting all "reliance parties" to continue to exploit the restored works unchecked, on a permanent basis. Br. 56-59. Again, such an approach would have directly

conflicted with the United States' other important interests (see Part II.B.2 and 3, *infra*). More fundamentally, however, Congress reasonably concluded that granting full and permanent immunity to reliance parties would not ensure actual and perceived compliance with Berne. That determination is well supported and is squarely within the political Branches' special expertise.[20]

Whatever the precise scope of discretion afforded to Berne member nations by Article 18(3)'s "conditions of application" language, Congress had ample reason to conclude that other member nations would view the grant of a free and permanent license for all reliance parties as insufficient to implement Article 18's restoration principle.[21] Whether or not a regime affording ab-

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[20] Contrary to petitioners' contention (Br. 57), the United States is aware of no Berne member nation that has affirmatively conferred complete and permanent immunity upon reliance parties. See generally J.A. 126-157 (describing "conditions" imposed by other Berne member nations); Pet. App. 34-35 ("no country has provided full, permanent exemptions for reliance parties"). The United Kingdom's approach, for example, allows reliance parties to use restored works until the owner buys out the reliance party (J.A. 148-149); it does not allow the reliance party to continue to exploit restored works indefinitely at no cost. As the court of appeals observed, although the "buy back" right (Pet. App. 35 (citation omitted)) is "arguably more protective of reliance parties' *economic* interests," it is not "substantially more protective of reliance parties' *expressive* interests," *id.* at 37.

[21] *E.g.*, *Joint Hearing* 157 n.12 (statement of Christopher Schroeder, Counsel to the Asst. Att'y Gen., Office of Legal Counsel, U.S. Dep't of Justice) ("Nothing short of protecting copyrights in foreign works against *all* other parties can afford such holders the protections required under the Berne Convention" because a "law that allowed reliance parties to continue to exploit the subject works would enable reliance parties to reproduce the subject works with impunity and completely undercut the actual copyright owner, while perhaps making a supercompetitive profit."); Sam Ricketson & Jane C. Ginsburg, *International*

solute and permanent protection to reliance parties could plausibly have been defended in a WTO proceeding, Congress and the Executive Branch understandably did not want the United States to be the defendant in a test case. See *Joint Hearing* 241 (statement of Eric Smith) (WTO proceeding would "be very damaging to the United States and to our reputation as a world leader in the copyright field").[22] More generally, the United States has a substantial interest in avoiding the appearance of an international-law violation, which would damage the Nation's credibility and undermine its status as a "trusted partner in multilateral endeavors." *Vimar Seguros y Reaseguros, S.A.* v. *M/V Sky Reefer*, 515 U.S. 528, 539 (1995).

Finally, petitioners contend (Br. 59-61) that Section 514 is not narrowly tailored because Congress could have adopted the "rule of the shorter term" or protected "first sale" rights. Because that argument was neither raised nor passed upon below, this Court should not consider it. See *Grupo Mexicano de Desarrollo, S.A.* v. *Alliance Bond Fund, Inc.*, 527 U.S. 308, 318 n.3 (1999). In

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Copyright and Neighboring Rights: The Berne Convention and Beyond 343 (2d ed. 2006) ("a situation must eventually be reached when the work is protected in relation to all persons"); J.A. 185 ("[T]here [is] a quite general agreement that such provisions and measures [for reliance parties] should not be applied, in any case, for a period longer than two years from the entry into force of the Convention."). See generally J.A. 116-121, 180-185.

[22] Indeed, the United States and its European partners initiated a WTO dispute settlement proceeding against Japan for failure to comply with Article 18, as extended to sound recordings through TRIPS Article 14.6. Upon receipt of the "informal views" from WIPO—that Article 18 does require restoration of foreign sound recordings and does not allow permanent reliance-party accommodations (J.A. 104-105, 164-192)—Japan amended its law to provide restored protection (J.A. 105-106).

any event, the "less-restrictive-alternative analysis . . . has never been a part of the inquiry into the validity of content-neutral regulations on speech." *Turner II*, 520 U.S. at 217 (internal quotation marks and citation omitted); *Ward* v. *Rock Against Racism*, 491 U.S. 781, 798 (1989) (Congress "need not [adopt] the least restrictive or least intrusive means" of achieving the government's interest). And, once Congress's basic authority to restore copyrights in public-domain works is established, Congress's choice of an appropriate *period* of protection is subject only to rational-basis review. See *Eldred*, 537 U.S. at 204-205.

2. ***Section 514 is narrowly tailored to further the government's interest in securing greater protections for American authors abroad***

Section 514 also furthers the government's important interest in securing greater protections for American authors abroad. Petitioners do not dispute the court of appeals' holding that Section 514 is narrowly tailored to serve that interest because "the burdens imposed on the reliance parties are congruent with the benefits Section 514 affords American copyright holders." Pet. App. 30. Petitioners instead contend that (a) protecting the interests of United States' copyright holders abroad is not an "important" (or even "legitimate") governmental purpose (Br. 49), and (b) "Congress had no substantial evidence that Section 514 would actually advance that interest" (Br. 50). Those arguments lack merit.

a. Contrary to petitioners' contention, securing foreign copyright protection for the works of American authors does not give those authors "windfalls." Br. 49. Rather, it provides them a (belated) opportunity to receive a reasonable return on their creative investment.

Cf. *Berne Senate Report* 2 (reporting industry losses of $43 to $61 billion during 1986 due to "inadequate [foreign] legal protection for United States intellectual property"). Similarly, the Russian composers discussed by petitioners (Br. 11, 46, 47) were never compensated for the pre-URAA exploitation of their works within the United States. Allowing petitioners and other reliance parties to continue to freely exploit those restored works indefinitely would perpetuate the "windfall" *they* have enjoyed for decades.

Petitioners also contend that "creating private benefits is not a legitimate objective of copyright regulation." Br. 49. This Court has repeatedly recognized, however, that "[r]ewarding authors for their creative labor" is "complementary" with "promot[ing] . . . Progress." *Eldred*, 537 U.S. at 212 n.18 (second set of brackets in original); see *Harper & Row*, 471 U.S. at 558 ("By establishing a marketable right to the use of one's expression, copyright supplies the economic incentive to create and disseminate ideas."); *Mazer*, 347 U.S. at 219. And in today's global economy, copyright will not effectively perform that function if American authors have no prospect of securing effective protections abroad. See Perlmutter 330.

As applied to works created *after* the United States entered the Berne Convention, U.S. protection of foreign authors' copyrights indisputably furthers First Amendment values, both by creating additional incentives to foreign creative activity (which ultimately benefits American readers and listeners), and by encouraging other nations to provide like incentives to American authors. Petitioners view those incentives as irrelevant to Congress's decision to restore U.S. copyrights to preexisting foreign works. But petitioners' "windfall" argu-

ment is simply a reformulation of the theory—*i.e.*, that extension of additional copyright protection to existing works is illegitimate "because it does not stimulate the creation of new works but merely adds value to works already created"—that was advanced and rejected in *Eldred*, 537 U.S. at 211-212. See *id.* at 212-217; p. 17, *supra*.

b. As the court of appeals' detailed review of the record (Pet. App. 19-29) makes clear, substantial evidence introduced below demonstrated that the United States' ability to advocate for stronger intellectual property protections abroad was directly tied to its willingness to provide commensurate protections at home. See *Joint Hearing* 120, 131, 189, 241, 247, 253, 256, 291. Witnesses observed that Russia and Thailand "ha[d] refused to protect U.S. works in the public domain in their territory" and had "cit[ed] the U.S. interpretation of Berne Article 18 as their justification." *Id.* at 137 (statement of Ira Shapiro); see *id.* at 249 n.2 (statement of Eric Smith) ("The Russian government has made clear that it will provide retroactive protection for 'works' only if the U.S. reciprocates with retroactive protection for Russian works."); *id.* at 189 (statement of Shira Perlmutter, Professor, Catholic Univ. Sch. of Law) (similar testimony). That understanding proved correct. Russia acceded to Berne in 1995 and, after extensive lobbying efforts by a United States delegation, later amended its law to include restoration of copyright for works by American authors. See J.A. 156-157.[23]

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[23] Law of the Russian Federation on Authors' Rights and Neighboring Rights, Ved. RF 1993, No. 42, Item 1242, as amended by Federal Law on Amendments to the Law of the Russian Federation on Authors' Rights and Neighboring Rights, SZ RF 2004, No. 30, Item 3090, Art. 5(1), translated in William E. Butler, *Intellectual Property Law in the*

Foreign governments' insistence on reciprocity was not limited to the mere act of "restoration"; it focused specifically on the scope and extent of any restored copyright protections. For example, Ira Shapiro (then-General Counsel for USTR) explained that "if we interpret article 18 of the TRIP[S] provisions to deny protection *or significantly limit its scope*, our trading partners just now considering their implementing legislation will feel free to simply mirror our views." *Joint Hearing* 131 (emphasis added); *id.* at 247 (statement of Eric Smith) ("[I]f [the United States] takes the position that we have no, *or only limited, obligations*, [we] will have little credibility in convincing * * * the new nations with whom we are just starting copyright relations to give us the expansive protection that we need.") (emphasis added); *id.* at 120 (statement of Bruce A. Lehman, Comm'r of Patents & Trademarks) ("When we have urged others to provide protection for our industries' repertoire of existing copyrighted works, we are often confronted with the position that such protection will be provided there when we protect their works *in the same manner* here in the United States.") (emphasis added). One witness testified that "the Russians simply said to the United States negotiators * * * that they will interpret their obligations on retroactivity *in exactly the same manner* that the United States interprets its obligations." *Id.* at 291 (statement of Jason S. Berman, Chairman & CEO, Recording Indus. Ass'n of Am.) (emphasis added).

Russian Federation: Basic Legislation 15 (4th rev. ed. 2005); see also GK [Civil Code] Pt. IV, Art. 1256, translated in *Russia and the Republics Legal Materials (Second Series)*, Release No. 21 (William E. Butler ed.).

Although petitioners deride the predictions described above as "guesses about what other countries might do someday" (Br. 50), those predictions accord with common sense. The rationale for international agreements like the Berne Convention is that, by securing to member nations a mutual reciprocity of advantage, such agreements may induce concessions that individual nations would not make unilaterally. To the extent that Article 18 gave member nations discretion as to the precise manner of implementation, it is both reasonable and consistent with the Convention's core premise to suppose that foreign countries' discretionary choices will be affected by their observation of the United States' behavior. In any event, Congress has broad latitude to make such predictive judgments, particularly in the realm of foreign affairs (see p. 43, *supra*), and courts should not substitute their "own evaluation of evidence for a reasonable evaluation by the Legislative Branch," *HLP*, 130 S. Ct. at 2727 (citation omitted). The evidence in this case fully justifies the conclusion that enactment of Section 514 will lead to greater protection for American authors.

3. Section 514 is narrowly tailored to further the government's interest in equitable treatment of foreign authors

Many foreign authors lost their works to the public domain solely because the United States did not have copyright relations with their countries of origin at the time they created their works. By entering into the Berne Convention, the United States immediately established copyright relations with 24 nations as to which such relations had previously been lacking. Other foreign authors lost their works to the public domain for

failing to comply with certain copyright formalities that had no parallel in their home country and that Congress has since repealed. See note 2, *supra*; *Joint Hearing* 191 (statement of Shira Perlmutter) ("As difficult as it has been for American authors to comply with the strict formalities that were the hallmark of United States copyright law for so many years, it has been even more difficult for foreign authors.").

Subject to various accommodations for reliance parties and others, Section 514 served to alleviate those prior disparities, and to place foreign authors of existing works in substantially the same position they would have occupied if the current legal regime had been in effect when those works were created and first published. Section 514 thus directly furthers the important government interest in remedying prior inequalities of treatment between American and foreign authors.

CONCLUSION

The judgment of the court of appeals should be affirmed.

Respectfully submitted.

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APPENDIX

1. The First Amendment of the United States Constitution provides:

Congress shall make no law respecting an establishment of religion, or prohibiting the free exercise thereof; or abridging the freedom of speech, or of the press; or the right of the people peaceably to assemble, and to petition the Government for a redress of grievances.

2. The Copyright Clause (Art. I, § 8, Cl. 8) of the United States Constitution provides:

To promote the Progress of Science and useful Arts, by securing for limited Times to Authors and Inventors the exclusive Right to their respective Writings and Discoveries.

3. Article 18 of the Berne Convention for the Protection of Literary and Artistic Works provides:

(1) This Convention shall apply to all works which, at the moment of its coming into force, have not yet fallen into the public domain in the country of origin through the expiry of the term of protection.

(2) If, however, through the expiry of the term of protection which was previously granted, a work has fallen into the public domain of the country where protection is claimed, that work shall not be protected anew.

(3) The application of this principle shall be subject to any provisions contained in special conven-

tions to that effect existing or to be concluded between countries of the Union. In the absence of such provisions, the respective countries shall determine, each in so far as it is concerned, the conditions of application of this principle.

(4) The preceding provisions shall also apply in the case of new accessions to the Union and to cases in which protection is extended by the application of Article 7 or by the abandonment of reservations.

4. Articles 9 and 14 of the World Trade Organization Agreement on Trade-Related Aspects of Intellectual Property Rights provide in pertinent part:

Article 9

1. Members shall comply with Articles 1 through 21 of the Berne Convention (1971) and the Appendix thereto. However, Members shall not have rights or obligations under this Agreement in respect of the rights conferred under Article 6*bis* of that Convention or of the rights derived therefrom.

* * * * *

Article 14

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6. Any Member may, in relation to the rights conferred under paragraphs 1, 2 and 3, provide for conditions, limitations, exceptions and reservations to the extent permitted by the Rome Convention. However, the provisions of Article 18 of the Berne Convention (1971) shall also apply, *mu-*

tatis mutandis, to the rights of performers and producers of phonograms in phonograms.

5. 17 U.S.C. 102(b) provides:

Subject matter of copyright: In general

(b) In no case does copyright protection for an original work of authorship extend to any idea, procedure, process, system, method of operation, concept, principle, or discovery, regardless of the form in which it is described, explained, illustrated, or embodied in such work.

6. 17 U.S.C. 104A provides:

Copyright in restored works

(a) AUTOMATIC PROTECTION AND TERM.—

(1) TERM.—

(A) Copyright subsists, in accordance with this section, in restored works, and vests automatically on the date of restoration.

(B) Any work in which copyright is restored under this section shall subsist for the remainder of the term of copyright that the work would have otherwise been granted in the United States if the work never entered the public domain in the United States.

(2) EXCEPTION.—Any work in which the copyright was ever owned or administered by the Alien Property Custodian and in which the restored copy-

right would be owned by a government or instrumentality thereof, is not a restored work.

(b) OWNERSHIP OF RESTORED COPYRIGHT.—A restored work vests initially in the author or initial rightholder of the work as determined by the law of the source country of the work.

(c) FILING OF NOTICE OF INTENT TO ENFORCE RESTORED COPYRIGHT AGAINST RELIANCE PARTIES.—On or after the date of restoration, any person who owns a copyright in a restored work or an exclusive right therein may file with the Copyright Office a notice of intent to enforce that person's copyright or exclusive right or may serve such a notice directly on a reliance party. Acceptance of a notice by the Copyright Office is effective as to any reliance parties but shall not create a presumption of the validity of any of the facts stated therein. Service on a reliance party is effective as to that reliance party and any other reliance parties with actual knowledge of such service and of the contents of that notice.

(d) REMEDIES FOR INFRINGEMENT OF RESTORED COPYRIGHTS.—

(1) ENFORCEMENT OF COPYRIGHT IN RESTORED WORKS IN THE ABSENCE OF A RELIANCE PARTY.—As against any party who is not a reliance party, the remedies provided in chapter 5 of this title shall be available on or after the date of restoration of a restored copyright with respect to an act of infringement of the restored copyright that is commenced on or after the date of restoration.

(2) ENFORCEMENT OF COPYRIGHT IN RESTORED WORKS AS AGAINST RELIANCE PARTIES.—As against

a reliance party, except to the extent provided in paragraphs (3) and (4), the remedies provided in chapter 5 of this title shall be available, with respect to an act of infringement of a restored copyright, on or after the date of restoration of the restored copyright if the requirements of either of the following subparagraphs are met:

(A)(i) The owner of the restored copyright (or such owner's agent) or the owner of an exclusive right therein (or such owner's agent) files with the Copyright Office, during the 24-month period beginning on the date of restoration, a notice of intent to enforce the restored copyright; and

(ii)(I) the act of infringement commenced after the end of the 12-month period beginning on the date of publication of the notice in the Federal Register;

(II) the act of infringement commenced before the end of the 12-month period described in subclause (I) and continued after the end of that 12-month period, in which case remedies shall be available only for infringement occurring after the end of that 12-month period; or

(III) copies or phonorecords of a work in which copyright has been restored under this section are made after publication of the notice of intent in the Federal Register.

(B)(i) The owner of the restored copyright (or such owner's agent) or the owner of an exclusive right therein (or such owner's agent) serves upon

a reliance party a notice of intent to enforce a restored copyright; and

(ii)(I) the act of infringement commenced after the end of the 12-month period beginning on the date the notice of intent is received;

(II) the act of infringement commenced before the end of the 12-month period described in subclause (I) and continued after the end of that 12-month period, in which case remedies shall be available only for the infringement occurring after the end of that 12-month period; or

(III) copies or phonorecords of a work in which copyright has been restored under this section are made after receipt of the notice of intent.

In the event that notice is provided under both subparagraphs (A) and (B), the 12-month period referred to in such subparagraphs shall run from the earlier of publication or service of notice.

(3) EXISTING DERIVATIVE WORKS.—(A) In the case of a derivative work that is based upon a restored work and is created—

(i) before the date of the enactment of the Uruguay Round Agreements Act, if the source country of the restored work is an eligible country on such date, or

(ii) before the date on which the source country of the restored work becomes an eligible country,

if that country is not an eligible country on such date of enactment,

a reliance party may continue to exploit that derivative work for the duration of the restored copyright if the reliance party pays to the owner of the restored copyright reasonable compensation for conduct which would be subject to a remedy for infringement but for the provisions of this paragraph.

(B) In the absence of an agreement between the parties, the amount of such compensation shall be determined by an action in United States district court, and shall reflect any harm to the actual or potential market for or value of the restored work from the reliance party's continued exploitation of the work, as well as compensation for the relative contributions of expression of the author of the restored work and the reliance party to the derivative work.

(4) COMMENCEMENT OF INFRINGEMENT FOR RELIANCE PARTIES.—For purposes of section 412, in the case of reliance parties, infringement shall be deemed to have commenced before registration when acts which would have constituted infringement had the restored work been subject to copyright were commenced before the date of restoration.

(e) NOTICES OF INTENT TO ENFORCE A RESTORED COPYRIGHT.—

(1) NOTICES OF INTENT FILED WITH THE COPYRIGHT OFFICE.—(A)(i) A notice of intent filed with the Copyright Office to enforce a restored copyright shall be signed by the owner of the restored copy-

right or the owner of an exclusive right therein, who files the notice under subsection (d)(2)(A)(i) (hereafter in this paragraph referred to as the "owner"), or by the owner's agent, shall identify the title of the restored work, and shall include an English translation of the title and any other alternative titles known to the owner by which the restored work may be identified, and an address and telephone number at which the owner may be contacted. If the notice is signed by an agent, the agency relationship must have been constituted in a writing signed by the owner before the filing of the notice. The Copyright Office may specifically require in regulations other information to be included in the notice, but failure to provide such other information shall not invalidate the notice or be a basis for refusal to list the restored work in the Federal Register.

(ii) If a work in which copyright is restored has no formal title, it shall be described in the notice of intent in detail sufficient to identify it.

(iii) Minor errors or omissions may be corrected by further notice at any time after the notice of intent is filed. Notices of corrections for such minor errors or omissions shall be accepted after the period established in subsection (d)(2)(A)(i). Notices shall be published in the Federal Register pursuant to subparagraph (B).

(B)(i) The Register of Copyrights shall publish in the Federal Register, commencing not later than 4 months after the date of restoration for a particular nation and every 4 months thereafter for a period of 2 years, lists identifying restored works and the own-

ership thereof if a notice of intent to enforce a restored copyright has been filed.

(ii) Not less than 1 list containing all notices of intent to enforce shall be maintained in the Public Information Office of the Copyright Office and shall be available for public inspection and copying during regular business hours pursuant to sections 705 and 708.

(C) The Register of Copyrights is authorized to fix reasonable fees based on the costs of receipt, processing, recording, and publication of notices of intent to enforce a restored copyright and corrections thereto.

(D)(i) Not later than 90 days before the date the Agreement on Trade-Related Aspects of Intellectual Property referred to in section 101(d)(15) of the Uruguay Round Agreements Act enters into force with respect to the United States, the Copyright Office shall issue and publish in the Federal Register regulations governing the filing under this subsection of notices of intent to enforce a restored copyright.

(ii) Such regulations shall permit owners of restored copyrights to file simultaneously for registration of the restored copyright.

(2) NOTICES OF INTENT SERVED ON A RELIANCE PARTY.—(A) Notices of intent to enforce a restored copyright may be served on a reliance party at any time after the date of restoration of the restored copyright.

(B) Notices of intent to enforce a restored copyright served on a reliance party shall be signed by

the owner or the owner's agent, shall identify the restored work and the work in which the restored work is used, if any, in detail sufficient to identify them, and shall include an English translation of the title, any other alternative titles known to the owner by which the work may be identified, the use or uses to which the owner objects, and an address and telephone number at which the reliance party may contact the owner. If the notice is signed by an agent, the agency relationship must have been constituted in writing and signed by the owner before service of the notice.

(3) EFFECT OF MATERIAL FALSE STATEMENTS.—Any material false statement knowingly made with respect to any restored copyright identified in any notice of intent shall make void all claims and assertions made with respect to such restored copyright.

(f) IMMUNITY FROM WARRANTY AND RELATED LIABILITY.—

(1) IN GENERAL.—Any person who warrants, promises, or guarantees that a work does not violate an exclusive right granted in section 106 shall not be liable for legal, equitable, arbitral, or administrative relief if the warranty, promise, or guarantee is breached by virtue of the restoration of copyright under this section, if such warranty, promise, or guarantee is made before January 1, 1995.

(2) PERFORMANCES.—No person shall be required to perform any act if such performance is made infringing by virtue of the restoration of copyright under the provisions of this section, if the obligation to perform was undertaken before January 1, 1995.

(g) PROCLAMATION OF COPYRIGHT RESTORATION.—Whenever the President finds that a particular foreign nation extends, to works by authors who are nationals or domiciliaries of the United States, restored copyright protection on substantially the same basis as provided under this section, the President may by proclamation extend restored protection provided under this section to any work—

(1) of which one or more of the authors is, on the date of first publication, a national, domiciliary, or sovereign authority of that nation; or

(2) which was first published in that nation.

The President may revise, suspend, or revoke any such proclamation or impose any conditions or limitations on protection under such a proclamation.

(h) DEFINITIONS.—For purposes of this section and section 109(a):

(1) The term "date of adherence or proclamation" means the earlier of the date on which a foreign nation which, as of the date the WTO Agreement enters into force with respect to the United States, is not a nation adhering to the Berne Convention or a WTO member country, becomes—

(A) a nation adhering to the Berne Convention;

(B) a WTO member country;

(C) a nation adhering to the WIPO Copyright Treaty;

(D) a nation adhering to the WIPO Performances and Phonograms Treaty; or

(E) subject to a Presidential proclamation under subsection (g).

(2) The "date of restoration" of a restored copyright is—

(A) January 1, 1996, if the source country of the restored work is a nation adhering to the Berne Convention or a WTO member country on such date, or

(B) the date of adherence or proclamation, in the case of any other source country of the restored work.

(3) The term "eligible country" means a nation, other than the United States, that—

(A) becomes a WTO member country after the date of the enactment of the Uruguay Round Agreements Act;

(B) on such date of enactment is, or after such date of enactment becomes, a nation adhering to the Berne Convention;

(C) adheres to the WIPO Copyright Treaty;

(D) adheres to the WIPO Performances and Phonograms Treaty; or

(E) after such date of enactment becomes subject to a proclamation under subsection (g).

(4) The term "reliance party" means any person who—

(A) with respect to a particular work, engages in acts, before the source country of that work

becomes an eligible country, which would have violated section 106 if the restored work had been subject to copyright protection, and who, after the source country becomes an eligible country, continues to engage in such acts;

(B) before the source country of a particular work becomes an eligible country, makes or acquires 1 or more copies or phonorecords of that work; or

(C) as the result of the sale or other disposition of a derivative work covered under subsection (d)(3), or significant assets of a person described in subparagraph (A) or (B), is a successor, assignee, or licensee of that person.

(5) The term "restored copyright" means copyright in a restored work under this section.

(6) The term "restored work" means an original work of authorship that—

(A) is protected under subsection (a);

(B) is not in the public domain in its source country through expiration of term of protection;

(C) is in the public domain in the United States due to—

(i) noncompliance with formalities imposed at any time by United States copyright law, including failure of renewal, lack of proper notice, or failure to comply with any manufacturing requirements;

(ii) lack of subject matter protection in the case of sound recordings fixed before February 15, 1972; or

(iii) lack of national eligibility;

(D) has at least one author or rightholder who was, at the time the work was created, a national or domiciliary of an eligible country, and if published, was first published in an eligible country and not published in the United States during the 30-day period following publication in such eligible country; and

(E) if the source country for the work is an eligible country solely by virtue of its adherence to the WIPO Performances and Phonograms Treaty, is a sound recording.

(7) The term "rightholder" means the person—

(A) who, with respect to a sound recording, first fixes a sound recording with authorization, or

(B) who has acquired rights from the person described in subparagraph (A) by means of any conveyance or by operation of law.

(8) The "source country" of a restored work is—

(A) a nation other than the United States;

(B) in the case of an unpublished work—

(i) the eligible country in which the author or rightholder is a national or domiciliary, or, if a restored work has more than 1 author or rightholder, of which the majority of foreign authors or rightholders are nationals or domiciliaries; or

(ii) if the majority of authors or rightholders are not foreign, the nation other than the United States which has the most significant contacts with the work; and

(C) in the case of a published work—

(i) the eligible country in which the work is first published, or

(ii) if the restored work is published on the same day in 2 or more eligible countries, the eligible country which has the most significant contacts with the work.

7. 17 U.S.C. 106 provides:

Exclusive rights in copyrighted works

Subject to sections 107 through 122, the owner of copyright under this title has the exclusive rights to do and to authorize any of the following:

(1) to reproduce the copyrighted work in copies or phonorecords;

(2) to prepare derivative works based upon the copyrighted work;

(3) to distribute copies or phonorecords of the copyrighted work to the public by sale or other transfer of ownership, or by rental, lease, or lending;

(4) in the case of literary, musical, dramatic, and choreographic works, pantomimes, and motion pictures and other audiovisual works, to perform the copyrighted work publicly;

(5) in the case of literary, musical, dramatic, and choreographic works, pantomimes, and pictorial, graphic, or sculptural works, including the individual images of a motion picture or other audiovisual work, to display the copyrighted work publicly; and

(6) in the case of sound recordings, to perform the copyrighted work publicly by means of a digital audio transmission.

8. 17 U.S.C. 107 provides:

Limitations on exclusive rights: Fair use

Notwithstanding the provisions of sections 106 and 106A, the fair use of a copyright work, including such use by reproduction in copies or phonorecords or by any other means specified by that section, for purposes such as criticism, comment, news reporting, teaching (including multiple copies for classroom use), scholarship, or research, is not an infringement of copyright. In determining whether the use made of a work in any particular case is a fair use the factors to be considered shall include—

(1) the purpose and character of the use, including whether such use is of a commercial nature or is for nonprofit educational purposes;

(2) the nature of the copyrighted work;

(3) the amount and substantiality of the portion used in relation to the copyrighted work as a whole; and

(4) the effect of the use upon the potential market for or value of the copyrighted work.

The fact that a work is unpublished shall not itself bar a finding of fair use if such finding is made upon consideration of all the above factors.

9. 17 U.S.C. 108 provides:

Limitations on exclusive rights: Reproduction by libraries and archives

(a) Except as otherwise provided in this title and notwithstanding the provisions of section 106, it is not an infringement of copyright for a library or archives, or any of its employees acting within the scope of their employment, to reproduce no more than one copy or phonorecord of a work, except as provided in subsections (b) and (c), or to distribute such copy or phonorecord, under the conditions specified by this section, if—

(1) the reproduction or distribution is made without any purpose of direct or indirect commercial advantage;

(2) the collections of the library or archives are (i) open to the public, or (ii) available not only to researchers affiliated with the library or archives or with the institution of which it is a part, but also to other persons doing research in a specialized field; and

(3) the reproduction or distribution of the work includes a notice of copyright that appears on the copy or phonorecord that is reproduced under the provisions of this section, or includes a legend stating

that the work may be protected by copyright if no such notice can be found on the copy or phonorecord that is reproduced under the provisions of this section.

(b) The rights of reproduction and distribution under this section apply to three copies or phonorecords of an unpublished work duplicated solely for purposes of preservation and security or for deposit for research use in another library or archives of the type described by clause (2) of subsection (a), if—

(1) the copy or phonorecord reproduced is currently in the collections of the library or archives; and

(2) any such copy or phonorecord that is reproduced in digital format is not otherwise distributed in that format and is not made available to the public in that format outside the premises of the library or archives.

(c) The right of reproduction under this section applies to three copies or phonorecords of a published work duplicated solely for the purpose of replacement of a copy or phonorecord that is damaged, deteriorating, lost, or stolen, or if the existing format in which the work is stored has become obsolete, if—

(1) the library or archives has, after a reasonable effort, determined that an unused replacement cannot be obtained at a fair price; and

(2) any such copy or phonorecord that is reproduced in digital format is not made available to the public in that format outside the premises of the library or archives in lawful possession of such copy.

For purposes of this subsection, a format shall be considered obsolete if the machine or device necessary to render perceptible a work stored in that format is no longer manufactured or is no longer reasonably available in the commercial marketplace.

(d) The rights of reproduction and distribution under this section apply to a copy, made from the collection of a library or archives where the user makes his or her request or from that of another library or archives, of no more than one article or other contribution to a copyrighted collection or periodical issue, or to a copy or phonorecord of a small part of any other copyrighted work, if—

(1) the copy or phonorecord becomes the property of the user, and the library or archives has had no notice that the copy or phonorecord would be used for any purpose other than private study, scholarship, or research; and

(2) the library or archives displays prominently, at the place where orders are accepted, and includes on its order form, a warning of copyright in accordance with requirements that the Register of Copyrights shall prescribe by regulation.

(e) The rights of reproduction and distribution under this section apply to the entire work, or to a substantial part of it, made from the collection of a library or archives where the user makes his or her request or from that of another library or archives, if the library or archives has first determined, on the basis of a reasonable investigation, that a copy or phonorecord of the copyrighted work cannot be obtained at a fair price, if—

(1) the copy or phonorecord becomes the property of the user, and the library or archives has had no notice that the copy or phonorecord would be used for any purpose other than private study, scholarship, or research; and

(2) the library or archives displays prominently, at the place where orders are accepted, and includes on its order form, a warning of copyright in accordance with requirements that the Register of Copyrights shall prescribe by regulation.

(f) Nothing in this section—

(1) shall be construed to impose liability for copyright infringement upon a library or archives or its employees for the unsupervised use of reproducing equipment located on its premises: *Provided*, That such equipment displays a notice that the making of a copy may be subject to the copyright law;

(2) excuses a person who uses such reproducing equipment or who requests a copy or phonorecord under subsection (d) from liability for copyright infringement for any such act, or for any later use of such copy or phonorecord, if it exceeds fair use as provided by section 107;

(3) shall be construed to limit the reproduction and distribution by lending of a limited number of copies and excerpts by a library or archives of an audiovisual news program, subject to clauses (1), (2), and (3) of subsection (a); or

(4) in any way affects the right of fair use as provided by section 107, or any contractual obligations assumed at any time by the library or archives when

it obtained a copy or phonorecord of a work in its collections.

(g) The rights of reproduction and distribution under this section extend to the isolated and unrelated reproduction or distribution of a single copy or phonorecord of the same material on separate occasions, but do not extend to cases where the library or archives, or its employee—

(1) is aware or has substantial reason to believe that it is engaging in the related or concerted reproduction or distribution of multiple copies or phonorecords of the same material, whether made on one occasion or over a period of time, and whether intended for aggregate use by one or more individuals or for separate use by the individual members of a group; or

(2) engages in the systematic reproduction or distribution of single or multiple copies or phonorecords of material described in subsection (d): *Provided*, That nothing in this clause prevents a library or archives from participating in interlibrary arrangements that do not have, as their purpose or effect, that the library or archives receiving such copies or phonorecords for distribution does so in such aggregate quantities as to substitute for a subscription to or purchase of such work.

(h)(1) For purposes of this section, during the last 20 years of any term of copyright of a published work, a library or archives, including a nonprofit educational institution that functions as such, may reproduce, distribute, display, or perform in facsimile or digital form a copy or phonorecord of such work, or portions thereof, for pur-

poses of preservation, scholarship, or research, if such library or archives has first determined, on the basis of a reasonable investigation, that none of the conditions set forth in subparagraphs (A), (B), and (C) of paragraph (2) apply.

(2) No reproduction, distribution, display, or performance is authorized under this subsection if—

(A) the work is subject to normal commercial exploitation;

(B) a copy or phonorecord of the work can be obtained at a reasonable price; or

(C) the copyright owner or its agent provides notice pursuant to regulations promulgated by the Register of Copyrights that either of the conditions set forth in subparagraphs (A) and (B) applies.

(3) The exemption provided in this subsection does not apply to any subsequent uses by users other than such library or archives.

(i) The rights of reproduction and distribution under this section do not apply to a musical work, a pictorial, graphic or sculptural work, or a motion picture or other audiovisual work other than an audiovisual work dealing with news, except that no such limitation shall apply with respect to rights granted by subsections (b), (c), and (h), or with respect to pictorial or graphic works published as illustrations, diagrams, or similar adjuncts to works of which copies are reproduced or distributed in accordance with subsections (d) and (e).

10. 17 U.S.C. 109(a) provides:

Limitations on exclusive rights: Effect of transfer of particular copy or phonorecord

(a) Notwithstanding the provisions of section 106(3), the owner of a particular copy or phonorecord lawfully made under this title, or any person authorized by such owner, is entitled, without the authority of the copyright owner, to sell or otherwise dispose of the possession of that copy or phonorecord. Notwithstanding the preceding sentence, copies or phonorecords of works subject to restored copyright under section 104A that are manufactured before the date of restoration of copyright or, with respect to reliance parties, before publication or service of notice under section 104A(e), may be sold or otherwise disposed of without the authorization of the owner of the restored copyright for purposes of direct or indirect commercial advantage only during the 12-month period beginning on—

(1) the date of the publication in the Federal Register of the notice of intent filed with the Copyright Office under section 104A(d)(2)(A), or

(2) the date of the receipt of actual notice served under section 104A(d)(2)(B),

whichever occurs first.

11. 17 U.S.C. 110 provides in pertinent part:

Limitations on exclusive rights: Exemption of certain performances and displays

Notwithstanding the provisions of section 106, the following are not infringements of copyright:

(1) performance or display of a work by instructors or pupils in the course of face-to-face teaching activities of a nonprofit educational institution, in a classroom or similar place devoted to instruction, unless, in the case of a motion picture or other audiovisual work, the performance, or the display of individual images, is given by means of a copy that was not lawfully made under this title, and that the person responsible for the performance knew or had reason to believe was not lawfully made;

(2) except with respect to a work produced or marketed primarily for performance or display as part of mediated instructional activities transmitted via digital networks, or a performance or display that is given by means of a copy or phonorecord that is not lawfully made and acquired under this title, and the transmitting government body or accredited nonprofit educational institution knew or had reason to believe was not lawfully made and acquired, the performance of a nondramatic literary or musical work or reasonable and limited portions of any other work, or display of a work in an amount comparable to that which is typically displayed in the course of a live classroom session, by or in the course of a transmission, if—

(A) the performance or display is made by, at the direction of, or under the actual supervision of an instructor as an integral part of a class session offered as a regular part of the systematic mediated instructional activities of a governmental body or an accredited nonprofit educational institution;

(B) the performance or display is directly related and of material assistance to the teaching content of the transmission;

(C) the transmission is made solely for, and, to the extent technologically feasible, the reception of such transmission is limited to—

(i) students officially enrolled in the course for which the transmission is made; or

(ii) officers or employees of governmental bodies as a part of their official duties or employment; and

(D) the transmitting body or institution—

(i) institutes policies regarding copyright, provides informational materials to faculty, students, and relevant staff members that accurately describe, and promote compliance with, the laws of the United States relating to copyright, and provides notice to students that materials used in connection with the course may be subject to copyright protection; and

(ii) in the case of digital transmissions—

(I) applies technological measures that reasonably prevent—

(aa) retention of the work in accessible form by recipients of the transmission from the transmitting body or institution for longer than the class session; and

(bb) unauthorized further dissemination of the work in accessible form by such recipients to others; and

(II) does not engage in conduct that could reasonably be expected to interfere with technological measures used by copyright owners to prevent such retention or unauthorized further dissemination;

* * * * *

(4) performance of a nondramatic literary or musical work otherwise than in a transmission to the public, without any purpose of direct or indirect commercial advantage and without payment of any fee or other compensation for the performance to any of its performers, promoters, or organizers, if—

(A) there is no direct or indirect admission charge; or

(B) the proceeds, after deducting the reasonable costs of producing the performance, are used exclusively for educational, religious, or charitable purposes and not for private financial gain, except where the copyright owner has served notice of

objection to the performance under the following conditions:

(i) the notice shall be in writing and signed by the copyright owner or such owner's duly authorized agent; and

(ii) the notice shall be served on the person responsible for the performance at least seven days before the date of the performance, and shall state the reasons for the objection; and

(iii) the notice shall comply, in form, content, and manner of service, with requirements that the Register of Copyrights shall prescribe by regulation;

* * * * *

REPLY BRIEF

No. 10-545

IN THE

Supreme Court of the United States

LAWRENCE GOLAN et al.,

Petitioners,

v.

ERIC H. HOLDER, JR. et al.,

Respondents.

ON WRIT OF CERTIORARI TO THE UNITED STATES COURT OF APPEALS FOR THE TENTH CIRCUIT

REPLY BRIEF

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TABLE OF CONTENTS

	Page
TABLE OF AUTHORITIES	iii
ARGUMENT	1
I. Section 514 Violates The Specific Limitations Of The Copyright Clause	2
A. The Text Of The Copyright Clause Shows Congress Cannot Remove Works From The Public Domain	2
B. Two Centuries Of Unbroken Practice Confirm Congress Cannot Remove Works From The Public Domain	5
II. Section 514 Violates The First Amendment	13
A. Section 514 Is Subject To Intermediate Scrutiny Because It Alters The Traditional Contours Of Copyright Protection	13
B. Section 514 Fails Intermediate Scrutiny And Is Substantially Overbroad	17
1. The Government's Interest In Complying With The Berne Convention Cannot Justify Section 514	17

TABLE OF CONTENTS

Page

2. **The Government's Interest In Promoting The Rights Of U.S. Authors Abroad Cannot Justify Section 514** 20

3. **Section 514 Is Not Justified By Any Supposed Interest In Equitable Treatment** 22

III. **Congress Cannot Avoid The Explicit Restrictions Of The Copyright Clause Or The First Amendment By Invoking Other Powers** 22

CONCLUSION 23

TABLE OF AUTHORITIES

Page

CASES

Arizona Free Enter. Club's Freedom Club PAC v. Bennett,
131 S. Ct. 2806 (2011) 22

Baker v. Selden,
101 U.S. 99 (1879) 16

Blanchard v. Sprague,
3 F. Cas. 648 (C.C.D. Mass. 1839) 11

Bonito Boats, Inc. v. Thunder Craft Boats, Inc.,
489 U.S. 141 (1989) 4

Boos v. Barry,
485 U.S. 312 (1988) 19

Burrow-Giles Lithographic Co. v. Sarony,
111 U.S. 53 (1884) 7

Capitol Records, Inc. v. Naxos of Am., Inc.,
830 N.E.2d 250 (N.Y. 2005) 6, 8

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376 U.S. 234 (1964) 14-15

Donaldson v. Beckett,
4 Burr. 2408, 98 Eng. Rep. 257 (H.L. 1774) 7, 8

Table of Authorities

	Page
Eldred v. Ashcroft, 537 U.S. 186 (2003)	*passim*
Erie R.R. Co. v. Tompkins, 304 U.S. 64 (1938)	8
Evans v. Eaton, 16 U.S. (3 Wheat.) 454 (1818)	11
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Jordan v. Dobson, 13 F. Cas. 1092 (C.C.E.D. Pa. 1870)	11
McClurg v. Kingsland, 42 U.S. (1 How.) 202 (1843)	12
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Table of Authorities

Page

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515 U.S. 177 (1995) 22

Sony Corp. of Am. v.
Universal City Studios, Inc.,
464 U.S. 417 (1984) 3

Therrien v. Target Corp.,
617 F.3d 1242 (10th Cir. 2010) 22

Turner Broad. Sys., Inc. v. FCC,
512 U.S. 622 (1994) 19

Union Pacific R.R. Co. v.
Bhd. Locomotive Eng'rs,
130 S. Ct. 584 (2009) 23

Wheaton v. Peters,
33 U.S. (8 Pet.) 591 (1834) 8

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U.S. CONST. art. I, § 8, cl. 8 ..... *passim*

STATUTES

17 U.S.C. § 110(5)(B) 19

35 U.S.C. § 102(b) 10

Table of Authorities

	Page
Act of July 3, 1832, ch. 162, 4 Stat. 559	10
Act of Feb. 19, 1849, ch. 57, 9 Stat. 763	11
Act of June 23, 1874, ch. 534, 18 Stat. 618	11
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Act of Feb. 17, 1898, ch. 29, 30 Stat. 1396	11
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34 H.L. Jour. 23 (1774)	7
H.R. Rep. No. 23-397 (1834)	10
H.R. Rep. No. 27-671 (1842)	9
H.R. Rep. No. 37-47 (1862)	9

Table of Authorities

Page

H.R. REP. No. 77-619 (1941) 12

H.R. REP. No. 94-1476 (1976) 13

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H.R. REP. No. 103-826 (1994) 18

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S. REP. No. 100-352 (1988) 21

S. REP. No. 103-412 (1994) 18

USTR, *Snapshot of WTO Cases Involving the United States* (Feb. 17, 2009) 19

ARGUMENT

For over two hundred years, Congress placed works into the public domain by declaring them free of copyright restriction, and it recognized that choice was permanent. Section 514 reversed course and "restored" copyrights in millions of these works, restricting and prohibiting their ongoing performance and distribution by the public. In doing so, it violated the Copyright Clause and the First Amendment. Once Congress places a work in the public domain, the "limited Time[]" the Constitution permits has expired by definition. The government's contention that it may choose a new "limit" decades after the first one passed renders this restriction meaningless. Independently, Section 514 violates the First Amendment because its restriction on the public's ongoing use of millions of expressive works was not necessary to further any important governmental interest.

Section 514 is a dramatic departure from historical practice. The handful of counterexamples the government identifies provide limited and specific relief when global conflict or other external events made it impossible for authors of otherwise eligible works to comply with statutory requirements, or when eligible authors attempted to comply but failed. Even assuming the constitutionality of those measures, they provide no precedent for Section 514 and do not support the plenary power to "restore" any copyright the government asserts here.

I. Section 514 Violates The Specific Limitations Of The Copyright Clause.

A. The Text Of The Copyright Clause Shows Congress Cannot Remove Works From The Public Domain.

The government agrees the "limited Times" restriction requires Congress to set a fixed and specific date on which copyright protection terminates. U.S. CONST. art. I, § 8, cl. 8; *Eldred v. Ashcroft*, 537 U.S. 186, 199 (2003); Resp. Br. 14-15. The only dispute is whether that fixed and specific date must have any reliable consequence or meaning.

The government contends "limited Times" means only that a copyright must have a nominal expiration date. Resp. Br. 13-15. Once that date has passed, the government asserts Congress is free to ignore it, and may grant a new period of protection any time. *See id.*

That interpretation is inconsistent with the plain meaning of "limited Times" because it renders the "limit" attached to a copyright at any particular time illusory. If new protection may be granted long after a work enters the public domain, there is no way for the public to tell if the limit has been reached or rely on it. The "limit" the government proposes here does not "confine" "restrain" or "circumscribe." *Eldred*, 537 U.S. at 199. It suggests no limit to Congress's power: If the government can extend existing copyrights and remove works from the public domain any time it wishes, then nothing stops it from reaching back hundreds of years.

While *Eldred* held Congress may extend the termination date before that date is reached, it did

so because an extension leaves in place a meaningful boundary – a termination date with consequence that would, in fact, "confine" and "restrain" once reached. *See id.* The government's interpretation of "limited Times" would destroy the very boundary *Eldred* demands.

A meaningful and permanent boundary is critical to the Copyright Clause's fundamental purpose of promoting the creation and spread of knowledge and learning. Pet. Br. 28-30. The "limited Times" restriction furthers that purpose by guaranteeing a fixed and specific date on which every work will become public property. *See Sony Corp. of Am. v. Universal City Studios, Inc.*, 464 U.S. 417, 429 (1984). It assures the unrestricted spread of existing works and provides the public with free access to the building blocks of future creativity. Removing works from the public domain destroys this guarantee, and frustrates the cycle of free expression and creativity the Copyright Clause is designed to ensure. It restricts the diffusion of works that once circulated freely, snatches back the building blocks of future creativity, and disrupts the settled expectations of those who used the public domain as the Framers intended. *See* Pet. Br. 16, 24.

The government suggests there is "no plausible definition" of "limited Times" that permits the extension of existing terms, but prohibits Congress from removing works from the public domain. Resp. Br. 16. But the rule is simple: Once a work reaches the limit Congress selects, it belongs to the public without further restriction. That rule is implicit in *Eldred* and confirmed by the long-standing Congressional practice *Eldred* identified. Every one of the extensions it cites left the public domain intact, as did each one of the nineteen amendments to the Copyright Act Congress enacted in its first two hundred years. Pet. Br. 31-41.

Congress already chose a limit for every work at issue here by placing every one into the public domain expressly, unambiguously and without qualification. It is Congress's attempt to set a second limit long after the first has been reached that violates the "limited Times" restriction.

The government itself recognized this "bright line" in *Eldred*. Pet. Br. 20. The Solicitor General did not merely acknowledge that Congress could "distinguish between a work whose copyright had very recently expired and a work whose copyright was on the verge of expiring." *Contra* Resp. Br. 16 n.5. He was asked whether the government's justification for extending existing copyrights would also apply to "works already in the public domain" like those of "Ben Jonson." Trans. of Oral Arg. 43-44, *Eldred v. Ashcroft*, 537 U.S. 186 (Oct. 9, 2002), *available at* http://bit.ly/lcdn2F. He specifically resisted that suggestion based upon the "bright line" he identified and the reliance interests it implicates. *Id.*

That "bright line" is also relevant to Section 514's second defect. A statute that does no more than remove works from the public domain cannot "promote the Progress" of knowledge and learning, as the Copyright Clause demands. Pet. Br. 23-25. Unlike the term extension statute in *Eldred*, Section 514 provides no plausible incentive to create new works, and contravenes Congress's two-hundred-year practice of leaving the public domain intact. Pet. Br. 24, 31-41. It is the paradigmatic example of a monopoly that stifles expression without providing any concomitant benefit that would plausibly advance the "Progress of Science." *See Bonito Boats, Inc. v. Thunder Craft Boats, Inc.*, 489 U.S. 141, 146 (1989) (quoting U.S. CONST. art. I, § 8, cl. 8).

The government contends the purpose specified by the Copyright Clause imposes no restrictions on Congress's power, and insists without explanation that copyright statutes promote "progress" whenever they involve "'participation' in [the] international system." Resp. Br. 17. The Framers' articulation of a specific purpose – unique among all Article I powers – is not just surplusage, and none of the limits specified by the Copyright Clause may yield to the "international system."

B. Two Centuries Of Unbroken Practice Confirm Congress Cannot Remove Works From The Public Domain.

The first Copyright Act followed the Statute of Anne by creating a uniform system that guaranteed every work would be placed into the public domain quickly, predictably, and permanently. Pet. Br. 25-33. It did so by displacing a patchwork of state law protection that was inconsistent and unclear. *Id.* After the First Congress established the public domain, nineteen amendments expanded the scope and duration of copyright protection over the next two hundred years, but left the public domain completely intact. This is not merely "common practice" followed "more often than not." Resp. Br. 11, 31. It is an unbroken practice and the "page of history" that confirms Congress has no power to remove works from the public domain. Pet. Br. 31-41; *Eldred*, 537 U.S. at 200.

The government tries to rewrite history by misconstruing the first Copyright Act. The government insists the "unmistakable effect" of the 1790 Act was to remove works from the public domain because it applied to works that were "already printed" and not protected

by copyright. Resp. Br. 18. The text of the 1790 Act shows exactly the opposite.

The 1790 Act authorized protection for maps, charts, and books that were "already printed" but *only* for authors who "have not transferred to any other person the *copyright*" in such works, or others who "have purchased or legally acquired the *copyright* of any such" work. Copyright Act of 1790, ch. 15, § 1, 1 Stat. 124 (emphasis added). In both cases the 1790 Act explicitly *presupposes existing copyrights*. It does not suggest any intent to protect works that were previously unprotected, or remove anything from the public domain. Its evident purpose is not to provide copyrights where there were none, but to make sure all copyrights are subject to the uniform federal scheme it creates. *See* J.A. 68-71 (Rose Report ¶¶ 22-24); Gomez-Arostegui & Ochoa Br. 29; Yale Information Society Project Br. 6-7.

Even if the 1790 Act were not so limited, the government's theory is still wrong. First, it assumes there was no common law protection for published works in 1790. Resp. Br. 20, 22. But there was such protection, as a decision of New York's highest court illustrates. Pet. Br. 32 (citing *Capitol Records, Inc. v. Naxos of Am., Inc.*, 830 N.E.2d 250 (N.Y. 2005)). The government does not identify any state that rejected common law protection for published works, and three state copyright statutes recognized common law rights. Pet. Br. 32.

Second, the government's theory assumes the First Congress *believed* there was no common law protection for published works. If the First Congress believed published works were protected by common law, or might

be, then there is no basis to conclude the 1790 Act reflects any intent to remove works from the public domain. All of the authority contemporaneous to the First Congress suggests common law *did* provide copyright protection for published works. *See* Gomez-Arostegui & Ochoa Br. 25-27.

English common law was especially clear (Pet. Br. 27), yet the government ignores it. In 1769, the King's Bench held common law provides perpetual copyrights in published works. *See Millar v. Taylor*, 4 Burr. 2303, 98 Eng. Rep. 201 (K.B. 1769). In 1774, the House of Lords overruled that decision, and held the time limitations in the Statute of Anne cut off any common law copyrights. *See Donaldson v. Beckett*, 4 Burr. 2408, 98 Eng. Rep. 257 (H.L. 1774). While *Donaldson* settled the preemptive effect of the Statute of Anne, it also recognized the common law protection for published works that was displaced. The official report states that seven of eleven judges who spoke before the Lords concluded common law rights over published works did exist prior to the Statute of Anne, and six judges concluded the statute preempted those rights. *See* 34 H.L. Jour. 23-32 (1774); *accord Donaldson*, 4. Burr. at 2417, 98 Eng. Rep. at 262. Both *Millar* and *Donaldson* recognize common law rights in published works, and both shaped the Framers' understanding of copyright. *See Burrow-Giles Lithographic Co. v. Sarony*, 111 U.S. 53, 57 (1884).

So did the first American edition of Blackstone's Commentaries. *See* J.A. 64-65 (Rose Report ¶ 17). In 1771, it explained that under *Millar* "an exclusive copyright in authors subsists by the common law." *See id.* James Madison – a key member of the First Congress and drafter of the Copyright Clause – echoed this conclusion in 1788:

"The copyright of authors has been solemnly adjudged, in Great Britain, to be a right of common law." *The Federalist No. 43* at 281 (Paul Leicester Ford ed., 1898); *see also* J.A. 65 (Rose Report ¶ 17).

The only authority the government cites to establish the state of mind of the First Congress is *Wheaton v. Peters*, 33 U.S. (8 Pet.) 591 (1834), a decision published forty-four years after the 1790 Act was passed. Resp. Br. 20. *Wheaton* concluded Pennsylvania provided no common law protection for published works based largely on the language of the 1790 Act. *See Wheaton*, 33 U.S. at 659-61. That question of Pennsylvania law, however, is not one for a federal court or Congress to decide. *See Erie R.R. Co. v. Tompkins*, 304 U.S. 64 (1938). *Wheaton* also ignores the fact that *Millar* and *Donaldson* recognized common law copyrights for published works. *Wheaton* could have properly concluded that the 1790 Act, like the Statute of Anne, preempted common law copyright for published works, but its conclusion that no such protection existed under Pennsylvania common law is both improper under *Erie* and "unpersuasive." *See Naxos*, 830 N.E.2d at 258 n.5 (citing 1 *Nimmer on Copyright* § 4.03, at 4-18).

There is no basis to conclude the First Congress believed it was removing anything from the public domain, much less vast quantities of important expressive works. The question here is whether Congress may place millions of works into the public domain expressly and unequivocally, only to remove them *en masse* decades later. Congress itself answered that question nineteen times in the next two hundred years. It first expanded the scope of eligible works in 1802 by adding engravings, but only those created after the amendment; it first

extended the duration of copyrights in 1831, but not for any copyright "the term of which has expired." Pet. Br. 34. It followed that pattern when it expanded eligibility again in 1831 (musical compositions), 1856 (plays), 1865 (photographs), 1870 (art works) and 1891 (certain foreign authors). Pet. Br. 34-35. It continued that pattern in the 1909 and 1976 Acts, and in the nine extensions leading up to the 1976 Act, by providing substantial expansions of copyright protection but expressly declining to provide protection for any works that had already entered the public domain. Pet. Br. 35-36.

The government would have the Court ignore this unequivocal history in favor of a trickle of private bills that ended in the nineteenth century, and two unchallenged statutes that provided additional time for foreign authors to register and deposit their works when two world wars made it impossible for them to do so. Resp. Br. 17-31. Most of these acts were unchallenged, and their constitutionality remains questionable. But they are hardly irreconcilable with petitioners' position. The patent acts are consistent with the power to extend existing protection or correct legal errors. The copyright acts merely suggest Congress may provide limited relief in the rare case in which it is factually impossible for an author or inventor to comply with statutory requirements, or makes an honest mistake in doing so.

In three of the five patent bills the government identifies, the patentee had applied for an extension *before* the original patent expired. *See* P. J. Federico, *The Patent Trials of Oliver Evans*, 27 J. PAT. OFF. SOC'Y 586, 597-98 (1945); H.R. REP. No. 27-671 (1842) (Gale); H.R. REP. No. 37-47 (1862) (Goulding). In another case, the application

date is unspecified, *see* H.R. REP. No. 23-397, at 1-2 (1834) (Blanchard), but the 1832 Patent Amendments required such applications to be "made before [the patent's] expiration" and nothing indicates that requirement was not met. Act of July 3, 1832, ch. 162, § 2, 4 Stat. 559. All four are therefore consistent with the power to extend existing terms recognized by *Eldred*. In the fifth bill, Congress found an inventor was improperly denied patent protection upon his original application, and permitted his heirs to renew that application. S. REP. No. 45-238, at 1 (1878) (Graham). In other words, it corrected a legal error made by the patent office.[1]

Although it appears the private patent bills were upheld by lower courts against constitutional challenges, this Court has never ruled on the constitutional issues they presented, much less the specific questions petitioners present here. *See Evans v. Jordan*, 13 U.S. (9 Cranch) 199 (1815) (considering only the statutory construction of the private bill Congress enacted). Indeed, none of the patent bills implicate any expressive rights.

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1. The 1832 Amendments also established a re-issue procedure by which patentees could correct inadvertent application errors. Resp. Br. 26. This procedure applied only to patents that were issued, not unprotected inventions. Act of July 3, 1832, ch. 162, § 3, 4 Stat. 559. Far from removing anything from the public domain, it put the public on notice that inadvertent errors in the applications for existing patents could be corrected and did not place an invention into free and permanent public use. Similarly, the one-year on-sale bar in the current Patent Act notifies the public that public use of an invention will not place an invention into free and permanent public use unless it goes on for more than a year before the patent application is filed. Resp. Br. 30 n.14 (citing 35 U.S.C. § 102(b)).

The lower court decisions that take up constitutional questions are not authoritative or illuminating. *Evans v. Jordan*, 8 F. Cas. 872 (C.C.D. Va. 1813), rejected a challenge under the Ex Post Facto Clause. *See id.* at 873-74. *Blanchard v. Sprague*, 3 F. Cas. 648, 650 (C.C.D. Mass. 1839), concluded without analysis that the constitutional challenge in that case was "put at rest" by this Court's decision in *Evans v. Eaton*, 16 U.S. (3 Wheat.) 454 (1818), but the only constitutional issue this Court discussed in *Evans v. Eaton* was "whether Congress, in the exercise of its power [under the Patent Clause] . . . may decide the fact that an individual is an author or inventor," and the Court did not decide that question. *See* 16 U.S. at 513. *Jordan v. Dobson*, 13 F. Cas. 1092 (C.C.E.D. Pa. 1870), and *The Fire Extinguisher Cases*, 21 F. 40 (C.C.D. Md. 1884), rejected Fifth Amendment takings claims.

The private copyright bills are less illuminating. They provide relief to authors who attempted to comply with statutory requirements within the proper time, but made technical mistakes in doing so. *See* Act of Feb. 19, 1849, ch. 57, 9 Stat. 763 (Levi Corson) (deposited title in wrong judicial district); Act of June 23, 1874, ch. 534, 18 Stat. 618 (Tod Helmuth) (deposited imperfect copy of title page); Act of Feb. 17, 1898, ch. 29, 30 Stat. 1396 (Judson Jones) (printing delay). The 1893 statute provided similar relief to authors who already deposited their works. *See* Act of Mar. 3, 1893, ch. 215, 27 Stat. 743 (limiting relief to authors who had deposited their works by March 1, 1893). None were challenged.

The wartime statutes allowed additional time for foreign authors to register, deposit, or publish their works in the United States following World Wars I and II.

Resp. Br. 26-27. They did so because the disruption and suspension of communications caused by these wars made it impossible for authors of otherwise eligible works to comply on time. *E.g.*, S. REP. No. 66-326, at 3 (1919); H.R. REP. No. 77-619, at 1 (1941).[2]

These statutes were not challenged, either. It is clear they presented substantial constitutional questions that were simply swept under the rug. *See* 4 M. Nimmer & D. Nimmer, *Nimmer on Copyright* § 9A.07[A] (2010). *McClurg v. Kingsland*, 42 U.S. (1 How.) 202 (1843), provides no insight into the constitutionality of these statutes (or any others) because no party in that case challenged the constitutionality of any statute on any ground. Although *McClurg* did consider whether the 1839 amendments to the Patent Act applied to existing patents, the patent at issue was granted in 1835 and remained in force, so the invention was not in the public domain. *See id.* at 205; *Eldred*, 537 U.S. at 202 (*McClurg* approved the "legislative expansion of existing patents"). Opaque as it may be, the holding of *McClurg* is that defendants did not infringe because they had a license. *See McClurg*, 42 U.S. at 208 (holding it was not error for circuit court to find defendants had a license without deciding patent's validity).

Section 514 does not relieve authors who missed deadlines despite their best efforts in securing protection

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2. The 1941 Act was almost entirely prospective. It was passed before the United States formally entered World War II, and empowered the President to grant extensions of time for foreign authors. In doing so, it provided notice that non-compliance by foreign authors due to the disruptions of war would *not* place works into free and permanent public use.

for otherwise eligible works. It applies to millions of works the Copyright Act made categorically and expressly ineligible for protection, and removes them from the public domain decades after Congress placed them there. *See, e.g.*, Copyright Act of 1909, Pub. L. No. 60-349, § 8, 35 Stat. 1075, 1077 (copyrights shall not extend to foreign authors unless they are domiciled in the United States or citizens of a designated country with which the United States maintains copyright relations), § 23, 35 Stat. 1075, 1080 (terminating protection after twenty-eight years absent renewal). No statute has ever done that.

If the government believes the private bills and other acts it identifies suggest plenary power to remove works from the public domain, Congress was unconvinced. In the years after World War II, Congress passed nine extensions that were premised on Congress's inability to remove works from the public domain, Pet. Br. 37-38, and recognized "[t]here can be no protection for any work that has fallen into the public domain" and "lost or expired copyrights cannot be revived." H.R. REP. No. 94-1476, at 180 (1976).

II. Section 514 Violates The First Amendment.

A. Section 514 Is Subject To Intermediate Scrutiny Because It Alters The Traditional Contours Of Copyright Protection.

The government does not dispute Section 514 took core speech rights held by petitioners and the American public for decades and placed them under the control of foreign authors and their heirs. Instead, the government contends *Eldred* immunizes Section 514 from the First Amendment

scrutiny that would apply to any other statute restricting core speech in this manner. Resp. Br. 34.

Eldred provides no such immunity. It found intermediate scrutiny inapplicable where Congress did something it had been doing for two centuries. It held copyright statutes are not "categorically immune" from First Amendment scrutiny, and announced a rule based on tradition and history: "when . . . Congress has not altered the traditional contours of copyright protection, further First Amendment scrutiny is unnecessary." *Eldred*, 537 U.S. at 221.

Here, Congress did something it has never done before. It removed millions of works from the public domain. It departed from a "bedrock principle" of copyright law that is established by that very two hundred years of congressional practice: what enters the public domain remains in the public domain. Pet. App. 98a. Removing works from the public domain is not a "traditional feature" of copyright law. Resp. Br. 34. It is a radical departure.

The government insists Section 514 should remain immune from First Amendment scrutiny because it "does nothing to alter the traditional balance between the rights of the copyright holder and those of the public." Resp. Br. 37. On the contrary, it is hard to imagine a more substantial alteration of that balance.

Throughout American history, the entry of a work into the public domain has marked the end of its copyright protection. The public's right to copy and use works in the public domain emanates from the Copyright Clause itself. *See Compco Corp. v. Day-Brite Lighting, Inc.*, 376

U.S. 234, 237 (1964). It protects critical First Amendment interests, because it guarantees free and unrestricted access to works in the public domain for any expressive purpose. It assures each work in the public domain will continue to circulate freely, and will remain available as ingredients for future creations. It assures copyright will remain the engine of free expression and serve its ultimate purpose of promoting the creation and spread of knowledge and learning. Pet. Br. 23-24. Section 514 not only destroys this balance, it provides copyrights to foreign authors that are broader than any copyright provided to U.S. authors. By eliminating first sale rights, it impedes the dissemination of foreign works in ways no other copyright does. Pet. Br. 59-61.

The government tries to avoid First Amendment scrutiny by insisting the only "traditional contours" that trigger it are the fair use doctrine and the "idea/expression dichotomy." Resp. Br. 36-37. But *Eldred* implies no such limitation. It recognized these doctrines represent two "built-in First Amendment accommodations" or "safeguards" that are "generally adequate" to address First Amendment concerns. *Eldred*, 537 U.S. at 219-21. It does not say or suggest these are the *only* "accommodations" or "safeguards," or that any specific set of "accommodations" or "safeguards" exhaust the "traditional contours of copyright protection." *Id. See also* Pet. App. 103a-06a (fair use and idea/expression do not define the "traditional contours of copyright protection").

It is not surprising that *Eldred* focused on these two safeguards. They provide partial protection for some First Amendment interests during the period of initial protection a work may enjoy. That was the only period

relevant in *Eldred* because nothing had been removed from the public domain. The public's right to copy and use works in the public domain is a third safeguard that attaches once that period ends, and is designed to provide complete and permanent protection for all First Amendment interests. Copyright's protection of First Amendment interests has always progressed from *partial* protection to *complete* protection of those interests. The government's suggestion that Congress can reverse that sequence at will is precisely the departure from tradition that triggers First Amendment scrutiny.

Whatever historic compatibility exists between copyright and the First Amendment cannot rest solely on the fair use doctrine and idea/expression dichotomy. There is no indication the Framers attached special significance to them, and they only began to assume their modern forms in the nineteenth century. *See Folsom v. Marsh*, 9 F. Cas. 342 (1841); *Baker v. Selden*, 101 U.S. 99 (1879). The tradition of protecting the public's right to unrestricted use of the public domain dates back to 1710 and the Statute of Anne. That tradition was plainly important to the Framers, who assured the creation of a stable and growing public domain, the First Congress, which followed through on that promise in the 1790 Act, and subsequent Congresses, which left the public domain intact through nineteen amendments over two hundred years.

Unlike the statute at issue in *Eldred*, or any ordinary copyright statute, Section 514 destroyed existing public speech rights at the core of the First Amendment, and did so on a vast scale. It cannot evade First Amendment scrutiny under *Eldred* or any other rule.

B. Section 514 Fails Intermediate Scrutiny And Is Substantially Overbroad.

None of the interests identified by the government is sufficient to justify the speech burdens Section 514 imposes.

1. The Government's Interest In Complying With The Berne Convention Cannot Justify Section 514.

The primary interest the government asserts is compliance with the Berne Convention. Resp. Br. 43-49. But the government does not contend Berne required the United States to remove anything from the public domain, or enact Section 514. *See id.* That is because the United States complied with the Berne Convention in 1988 *without* removing anything from the public domain. Pet. Br. 5-7. Congress concluded that approach satisfied all Berne obligations following extensive consultation with other Berne members and careful analysis of Article 18. H.R. REP. No. 100-609, at 7-9, 51 (1988).

The government contends Congress "revisited" these issues in 1994, and "concluded that granting full and permanent [protection] to reliance parties would not ensure actual and perceived compliance with Berne." Resp. Br. 46-47. Not so. The URAA was drafted by the USTR and sent to Congress under a fast track procedure that precluded amendment. Pet. Br. 9-10. The USTR told Congress that removing works from the public domain was optional, not mandatory, under TRIPS. Pet. Br. 52-53. Congress did not revisit any of the findings it made in 1988, or find that Berne or TRIPS required the United

States to remove anything from the public domain, or enact Section 514. *See* H.R. REP. No. 103-826, at 8 (1994); S. REP. No. 103-412, at 225 (1994). Nor did Congress make any finding about "perceived compliance," or undertake any of the "further study" it said was required to assess the serious constitutional questions identified in 1988. *See id.*; Pet. Br. 39. These questions were not limited to the Just Compensation Clause. Resp. Br. 45 n.19. They related specifically to the Copyright Clause and the First Amendment. Pet. Br. 39.

Insofar as the United States had not already complied with Berne and TRIPS, petitioners identified three ways in which the government plainly could have done so while burdening substantially less speech and providing full and complete protection for reliance parties like petitioners. Pet. Br. 54-61. The government does not deny the express terms of Berne permit all three. Resp. Br. 43-49. So there is no dispute that the government could have complied with Berne (and TRIPS) while burdening substantially less speech, either by maintaining the approach Congress took in 1988, or by adopting substantially less restrictive alternatives. Pet. Br. 54-61.

It is not surprising the government left this uncontested. The government itself proposed complete and permanent protection for reliance parties in 1988. Pet. Br. 58-59. At least *nine* Berne signatories provide varying forms of permanent protection to reliance parties (J.A. 206-09 (Bently Decl. ¶¶ 33-38)), and the district court invalidated Section 514 precisely because Berne permits the complete and permanent protection of reliance parties like petitioners. Pet. App. 61a-62a. The suggestions that Berne does not permit the United States to adopt the rule

of the shorter term, or avoid unprecedented restrictions on the first sale doctrine, are similarly implausible on the face of Berne. Pet. Br. 59-61.[3]

Far from suggesting any of these approaches fail to comply with Berne, the government suggests they would have been "arduous" and other Berne members might view them as "insufficient." Resp. Br. 46-47. It therefore contends it has an important interest in avoiding the "appearance" of potential non-compliance, and "minimiz[ing] the likelihood" the United States would become a defendant in a formal dispute before the WTO. Resp. Br. 44-45, 48.

That is refuted by the fact the United States has been named as a respondent in at least 128 formal disputes before the WTO, and lost at least 37. *See* USTR, *Snapshot of WTO Cases Involving the United States* (Feb. 17, 2009), *available at* http://bit.ly/po41j0. In one of those disputes, the WTO concluded Section 110(5)(B) of the Copyright Act violates TRIPS, yet the United States has done nothing to correct that violation in the ten years following that ruling. *See* 4 *Nimmer on Copyright*, *supra*, § 18.09[C] & [D].

Whatever government interests treaty participation might create, it does not create an interest in burdening more speech than a treaty requires. *See Boos v. Barry*, 485 U.S. 312, 324-29 (1988) (interest in complying with treaty does not permit government to ignore less restrictive

3. The government cannot avoid these less restrictive means via waiver. Resp. Br. 43. Petitioners have always contended Section 514 is not narrowly tailored to Berne, and it is the government's burden to prove narrow tailoring in any event. *See Turner Broad. Sys., Inc. v. FCC*, 512 U.S. 622, 665 (1994).

alternatives permitted by treaty). Nor can the government create an important interest in restricting speech by signing a treaty, and then claim *still further* leeway to impose speech burdens based not on the actual terms of the treaty, but in response to any demand a foreign country might make based on that country's interpretation of those terms. If it can, then First Amendment protections can be dismantled at will on the demands of foreign countries.

2. The Government's Interest In Promoting The Rights Of U.S. Authors Abroad Cannot Justify Section 514.

The second interest the government asserts is securing greater protection for American authors abroad. Resp. Br. 49. It acknowledges that upon joining Berne in 1988, the United States had already "secure[d] the highest available level of multilateral copyright protection" for U.S. authors. Resp. Br. 3. By definition, the only things left to secure in 1994 were private economic benefits for existing works – windfalls for authors whose works entered the public domain long ago. Pet. Br. 49.

The government insists Section 514 does not provide "windfalls," but "compensat[ion]" for foreign authors of works created long ago. Resp. Br. 49-50. While it suggests Congress is entitled to provide this compensation in the hope foreign countries will provide reciprocal compensation for U.S. authors – "a (belated) opportunity to receive a reasonable return" on creative investments (Resp. Br. 49-50) – the point remains the same: Section 514 creates nothing more than private economic benefits on works created long ago. The government is hard-pressed to show Section 514 produced even those benefits. It points

to exactly one country (Russia) that removed works of American authors from its public domain and that did not happen until 2004. Resp. Br. 51; J.A. 156-57.[4]

The government tries to obscure this by suggesting that "protecting foreign authors' copyrights furthers First Amendment values" by creating "additional incentives" for U.S. and foreign authors, but it concedes that is *only* so "[a]s applied to works created *after* the United States entered the Berne Convention." Resp. Br. 50 (original emphasis). That is precisely the point. Section 514 applies only to works created long *before* the United States joined Berne. All of the prospective incentives the government identifies were secured by joining Berne in 1988, not by Section 514.

While the government insists it has an important interest in creating strictly private benefits (Resp. Br. 50), it ignores the mechanism by which it does so. All of the "compensat[ion]" and "returns" on investments the government identifies are secured by sacrificing the public's First Amendment rights. Pet. Br. 49-50. The government simply ignores this fact, and does not attempt to explain why it has any proper interest in giving away public speech rights to create private economic benefits. If Congress cannot restrict the speech of some Americans

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4. The government's suggestion that Section 514 creates billions of dollars in benefits for U.S. authors (Resp. Br. 50) is misleading. The Senate report it cites does not address the restoration of copyrights; it estimates the amount of money U.S. companies lost due to "piracy" and "inadequate legal protection" of all types of intellectual property in all countries across the world. S. REP. NO. 100-352, at 2 (1988). It says joining Berne may reduce these losses but does not say restoration would. *Id.*

to enhance the voice of others, *Arizona Free Enterprise Club's Freedom Club PAC v. Bennett*, 131 S. Ct. 2806, 2821 (2011), it certainly should not be permitted to restrict the speech of all Americans to enhance the income of others.

3. Section 514 Is Not Justified By Any Supposed Interest In Equitable Treatment.

The final interest the government asserts is correcting the supposedly inequitable treatment of foreign authors. Resp. Br. 53-54. But there is no inequity to correct, because U.S. authors were subject to the same formalities, and were denied protection for their works in countries where the United States did not have copyright relations. Indeed, Section 514 creates inequity where none existed by providing relief to foreign authors that is unavailable to American authors. Even if Section 514 did correct inequities, the government cannot claim any legitimate interest in sacrificing the speech rights of the American public to benefit foreign authors.

III. Congress Cannot Avoid The Explicit Restrictions Of The Copyright Clause Or The First Amendment By Invoking Other Powers.

The government contends the Court should not reach the Treaty Power question because it was not decided below. Resp. Br. 33 n.15. But that was because the government did not present it as an alternative ground to affirm, so it has not been preserved. *Ryder v. United States*, 515 U.S. 177, 184 n.4 (1995); *Therrien v. Target Corp.*, 617 F.3d 1242, 1252-53 (10th Cir. 2010); Gov't C.A. Br. 56 n.23. If this issue has been preserved, it presents pure questions of law that are inseparable from the other issues before

the Court, and turn strictly on the construction of the Constitution and the relationship between the Treaty Clause and Congress's Article I Powers. *See* Cato Institute Br. 3-28. These are questions this Court "can and should resolve without need for remand." *Union Pacific R.R. Co. v. Bhd. Locomotive Eng'rs*, 130 S. Ct. 584, 595 (2009).

CONCLUSION

The judgment of the court of appeals should be reversed.

Respectfully submitted,

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August 31, 2011

AMICUS CURIAE BRIEF

No. 10-545

IN THE

Supreme Court of the United States

LAWRENCE GOLAN *ET AL.*,

Petitioners,

—v.—

ERIC H. HOLDER, JR. *ET AL.*,

Respondents.

ON WRIT OF CERTIORARI TO THE UNITED STATES COURT OF APPEALS FOR THE TENTH CIRCUIT

BRIEF OF THE AMERICAN CIVIL LIBERTIES UNION AS *AMICUS CURIAE* IN SUPPORT OF PETITIONERS

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TABLE OF CONTENTS

TABLE OF AUTHORITIES iii

INTERESTS OF *AMICUS CURIAE* 1

STATEMENT OF THE CASE 1

SUMMARY OF ARGUMENT 5

ARGUMENT 8

I. SECTION 514 IMPOSES A SIGNIFICANT BURDEN ON SPEECH THAT IS ENTITLED TO FULL FIRST AMENDMENT PROTECTION. 8

A. Section 514 Impacts A Significant Quantity Of Valuable Speech. 9

B. Section 514 Imposes A Significant Burden On Speech Because Of The Importance Of The Public Domain. 11

C. The Speech Affected By Section 514 Is Entitled To Full First Amendment Protection. 15

II. FIRST AMENDMENT SCRUTINY APPLIES TO COPYRIGHT LAWS LIKE SECTION 514 THAT ALTER THE BALANCE BETWEEN COPYRIGHT AND FREE SPEECH 24

CONCLUSION 34

TABLE OF AUTHORITIES

Cases

Am. Tobacco Co. v. Werckmeister, 207 U.S. 284 (1907) 15

Arkansas Educ. Television Comm'n v. Forbes, 523 U.S. 666 (1998) 21

Ashcroft v. Free Speech Coal., 535 U.S. 234 (2002) 29

Bartnicki v. Vopper, 532 U.S. 514 (2001) 18

Bd. of Educ. v. Pico, 457 U.S. 853 (1982) 23

Bobbs-Merrill Co. v. Straus, 210 U.S. 339 (1908) 27

Boos v. Barry, 485 U.S. 312 (1988) 33

Buckley v. Valeo, 424 U.S. 1 (1976) 33

City of Ladue v. Gilleo, 512 U.S. 43 (1994) 20

City of Los Angeles v. Preferred Commc'ns, Inc., 476 U.S. 488 (1986) 21

Cohen v. California, 403 U.S. 15 (1971) 20, 29

Dastar Corp. v. Twentieth Century Fox Film Corp., 539 U.S. 23 (2003) 15

Denver Area Educ. Telecomm. Consortium, Inc. v. FCC, 518 U.S. 727 (1996) 30

Edwards v. South Carolina, 372 U.S. 229 (1963) 20

Eldred v. Ashcroft, 537 U.S. 186 (2003) ..... *passim*

Ex parte Jackson, 96 U.S. 727 (1877) 17

Fox Film Corp. v. Doyal, 286 U.S. 123 (1932) 12

Gooding v. Wilson, 405 U.S. 518 (1972) 32

Harper & Row, Publishers, Inc. v. Nation Enters., 471 U.S. 539 (1985) 11, 24, 33

Hurley v. Irish-Am. Gay, Lesbian & Bisexual Group of Boston, 515 U.S. 557 (1995) 21

Hustler Magazine v. Falwell, 485 U.S. 46 (1988) 29

Int'l Soc. for Krishna Consciousness v. Lee, 505 U.S. 672 (1992) 18

Kleindienst v. Mandel, 408 U.S. 753 (1972) 23

Lovell v. City of Griffin, 303 U.S. 444 (1938) 17

Marbury v. *Madison*, 5 U.S. (1 Cranch) 137 (1803) 32

Martin v. City of Struthers, 319 U.S. 141 (1943) 18

Mazer v. Stein, 347 U.S. 201 (1954) 24

Murdock v. Pennsylvania, 319 U.S. 105 (1943) 19

NAACP v. Button, 371 U.S. 415 (1963) 33

Near v. Minnesota, 283 U.S. 697 (1931) 32

Perry v. Sinderman, 408 U.S. 593 (1972) 32

R.A.V. v. City of St. Paul, 505 U.S. 377 (1992) 29, 32

Reid v. Covert, 354 U.S. 1 (1957) 33

Reno v. ACLU, 521 U.S. 844 (1997) 32

Saenz v. Roe, 526 U.S. 489 (1999) 32

Schneider v. Town of Irvington, 308 U.S. 147 (1939) 19

Shloss v. Sweeney,
515 F. Supp. 2d 1068 (N.D. Cal. 2007) 10

Simon & Schuster, Inc. v. Members of N.Y. State Crime Victims Bd., 502 U.S. 105 (1991) 28

Stanley v. Georgia, 394 U.S. 557 (1969) 23

Suntrust Bank v. Houghton Mifflin Co., 268 F.3d 1257 (11th Cir. 2001) 27

Texas v. Johnson, 491 U.S. 397 (1989) 29, 31

Tinker v. Des Moines Indep. Cmty. Sch. Dist., 393 U.S. 503 (1969) 20

Twentieth Century Music Corp. v. Aiken, 422 U.S. 151 (1975) 11

United States v. Stevens, 130 S. Ct. 1577 (2010) 28, 30, 32

Va. State Bd. of Pharmacy v. Va. Citizens Consumer Council, Inc., 425 U.S. 748 (1976) 23, 29

White v. Samsung Elecs. Am. Inc., 989 F.2d 1512 (9th Cir. 1993) 12

Statutes

Uruguay Round Agreements Act of 1994, Pub. L. No. 103-465, § 514, 108 Stat. 4809, 4976–81 (1994) ..... *passim*

17 U.S.C. § 103(b) 17

17 U.S.C. § 104A(a) 2

17 U.S.C. § 104A(d)(2)(A)(ii)(I) 2

17 U.S.C. § 104A(d)(2)(B)(ii)(I) 2

17 U.S.C. § 104A(d)(3)(A) 3

17 U.S.C. § 104A(h)(6) 2

17 U.S.C. § 104A(h)(6)(C) 2

17 U.S.C. § 109 1

17 U.S.C. § 109(a) 2, 27

Berne Convention for the Protection of Literary and Artistic Works, Sept. 9, 1886, as revised at Paris on July 24, 1971 and as amended Sept. 28, 1979, 102 Stat. 2853, 1161 U.N.T.S. 3 3

Other Authorities

James Boyle, *The Public Domain: Enclosing The Commons Of The Mind* (2008) 12, 13

Daniel Heartz, *From Garrick to Gluck: Essays on Opera in the Age of Enlightenment* (John A. Rice ed., 2004) 13

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Edward Lee Lamoureux, *Intellectual Property Law and Interactive Media* (2009) 13

William M. Landes & Richard A. Posner, *The Economic Structure of Intellectual Property Law* (2003) 12

Jessica Litman, *The Public Domain*, 39 Emory L.J. 965 (1990) 14

Richard R. Nelson & Sidney G. Winter, *An Evolutionary Theory of Economic Change* (1982) 13

Marybeth Peters, Register of Copyrights, *The Year in Review: Accomplishments and Objectives of the U.S. Copyright Office*, 7 Fordham Intell. Prop. Media & Ent. L.J. 25 (1996) 2, 9

Richard A. Posner, *The Little Book of Plagiarism* (2007) 13

Maynard Solomon, *Late Beethoven: Music, Thought, Imagination* (2004) 13

INTERESTS OF *AMICUS CURIAE*[1]

The American Civil Liberties Union ("ACLU") is a nationwide, nonprofit, nonpartisan organization with over 500,000 members, dedicated to the principles of liberty and equality embodied in the Constitution and our nation's civil rights laws. Founded in 1920, the ACLU has vigorously defended free speech for over ninety years, and has appeared before this Court in numerous First Amendment cases, both as direct counsel and as *amicus curiae*.

STATEMENT OF THE CASE

This case involves the constitutionality of a federal law, Section 514 of the Uruguay Round Agreements Act of 1994 ("Section 514"), Pub. L. No. 103-465, § 514, 108 Stat. 4809, 4976–81 (1994) (codified as amended at 17 U.S.C. §§ 104A, 109). Section 514 amended the Copyright Act to bestow copyright protection on certain foreign works that previously were in the public domain. In doing so, it has altered the traditional contours of copyright protection and affected the ability of copyright to serve as an engine of free expression.

Section 514 has granted U.S. copyright protection to millions of foreign works.[2] *See*

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[1] The parties have submitted blanket consents to the filing of *amicus* briefs. Pursuant to Rule 37.6, none of the parties authored this brief in whole or in part, and no one other than *amicus* or its counsel contributed money or services to the preparation or submission of this brief.

[2] Section 514 provides copyrights to foreign works that were formerly in the public domain in the United States because of a failure to comply with formalities imposed by U.S.

Marybeth Peters, Register of Copyrights, *The Year in Review: Accomplishments and Objectives of the U.S. Copyright Office*, 7 Fordham Intell. Prop. Media & Ent. L.J. 25, 31 (1996). That includes works by Shostakovich, Stravinsky, Prokofiev, Virginia Woolf, J.R.R. Tolkien, C.S. Lewis, T.S. Eliot, Federico Fellini, Alfred Hitchcock, and Picasso. These works were previously in the public domain and could be freely used by anyone, without restraint.

Section 514 creates a temporary and limited safe harbor for individuals who had previously used the formerly-public domain works or who had created derivative works based on these works (collectively, "reliance parties"). 17 U.S.C. §§ 104A(d)(2)–(4). These reliance parties are given a one-year grace period dating from actual or constructive notice of restoration, during which they will be safe from an infringement lawsuit for selling or otherwise disposing of previously-made copies of the newly-protected works. *Id.* at § 109(a). After the grace period expires, any uses of the material, including sales of works made pre-restoration, will subject reliance parties to infringement lawsuits. *Id.* at §§ 104A(d)(2)(A)(ii)(I), (d)(2)(B)(ii)(I). Those who previously created a derivative work based on a restored work are permitted to continue using or

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copyright law, a lack of subject matter eligibility, or a lack of national eligibility. *See* 17 U.S.C. §§ 104A(a), (h)(6)(C). The statute uses the term "restored works," but it also grants new copyright protection to works previously in the public domain because they had never obtained copyrights in the United States. *See id.* at § 104A(h)(6).

selling such derivative works after the granting of copyright protection, but they must now pay the copyright holder "reasonable compensation" to do so. *Id.* at § 104A(d)(3)(A).

Congress enacted Section 514 to implement a provision of the Berne Convention for the Protection of Literary and Artistic Works. The Berne Convention requires each signatory country to provide foreign copyright holders the same protections that the country affords to its own nationals. *See* Berne Convention for the Protection of Literary and Artistic Works, Sept. 9, 1886, as revised at Paris on July 24, 1971 and as amended Sept. 28, 1979, 102 Stat. 2853, 1161 U.N.T.S. 3. In particular, Article 18 of the Convention requires signatories to bestow copyright protection on certain unprotected foreign works whose copyright is still valid in the country of origin. It provides discretion for signatories to enter into special conventions with other countries regarding this provision or to make unilateral determinations about the implementation of the provision. The United States signed the Berne Convention in 1989, but did not implement Article 18 until Section 514 was adopted in 1994. Article 18 was originally not implemented in the U.S. in part because of concerns over the constitutionality of granting copyright protection to works in the public domain. *See* H.R. Rep. No. 100-609, at 51 (1988), *quoted in* William F. Patry, 7 *Patry on Copyright* § 24:21 (2008).

Petitioners are orchestra conductors, educators, performers, publishers, film archivists,

and motion picture distributors who rely on artistic works in the public domain for their livelihoods. They perform, adapt, distribute, and sell public domain works. Following enactment of Section 514, many of those public domain works became copyrighted, meaning that Petitioners were prevented from using the works unless they obtained permission from and paid licensing fees to the new copyright holders—fees that are cost-prohibitive for many Petitioners.

Petitioners thereafter filed this lawsuit challenging, among other things, the constitutionality of Section 514 on the ground that it violates the Copyright Clause, U.S. Const. art. I, § 8, cl. 8, and the First Amendment. The district court granted summary judgment to the government on all claims, holding that the Copyright Clause did not preclude Congress from restoring copyrights to public domain works and that there was "no need to expand upon the settled rule that private censorship via copyright enforcement does not implicate First Amendment concerns." *Golan v. Gonzales*, No. Civ. 01-B-1854 (BNB), 2005 WL 914754, at *14, *17 (D. Colo. April 20, 2005).

On appeal, the Tenth Circuit agreed that the Copyright Clause had not been violated, but reversed on the First Amendment claim, holding that Congress's exercise of the Copyright Clause power is subject to First Amendment review "if it 'altered the traditional contours of copyright protection.'" *Golan v. Gonzales*, 501 F.3d 1179, 1187 (10th Cir. 2007) (quoting *Eldred v. Ashcroft*, 537 U.S. 186, 221 (2003)). The Tenth Circuit then

concluded that First Amendment scrutiny is required in this case because Section 514 "alters the traditional contours of copyright protection" by eviscerating the "bedrock principle of copyright law that works in the public domain remain there." *Id.* at 1187-88.

On remand, the parties agreed that Section 514 was content-neutral and that intermediate scrutiny should be applied to the First Amendment claim. Applying that standard, the district court granted summary judgment to Petitioners on the ground that Section 514 is "substantially broader than necessary," primarily because Congress could have permanently exempted the reliance parties from being bound by the statute rather than only granting a one-year grace period. *Golan v. Holder*, 611 F. Supp. 2d 1165, 1177 (D. Colo. 2009).

The Tenth Circuit reversed. It held that the statute did not violate the First Amendment because the government had a "substantial interest in protecting American copyright holders' interests abroad," *Golan v. Holder*, 609 F.3d 1076, 1084 (10th Cir. 2010), and Section 514 was narrowly tailored to advance that interest, *id.* at 1090-91.

This Court subsequently granted *certiorari* on both the Copyright Clause and First Amendment claims.

SUMMARY OF ARGUMENT

Amicus agrees with Petitioners that Section 514 violates the First Amendment and that the government could have achieved its

legitimate interests without so significantly burdening First Amendment rights. Rather than repeat Petitioners' arguments, this brief will address the threshold issues of whether the statute substantially burdens Petitioners' and the public's First Amendment rights and whether First Amendment scrutiny applies to copyright statutes like Section 514.[3]

1. Section 514 imposes a substantial burden on Petitioners' and the public's First Amendment rights. It removes millions of works—both famous and obscure—from the public domain and places them under private control, meaning that Petitioners and the public can no longer freely perform, adapt, share, distribute, or otherwise use those works as they see fit. In doing so, Section 514 trenches upon the public domain, which has long been viewed as providing the building blocks for future creativity in music, art, entertainment, literature, and other intellectual and cultural enterprises. That Petitioners may not have been the original creators of some of the affected speech does not negate all First Amendment interests or make the First Amendment rights at stake insignificant. Those who publish, disseminate, perform, or adapt the works of others have long been entitled to First Amendment protection against government-imposed restrictions on the exercise of that right.

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[3] This brief does not address the Copyright Clause question before the Court.

2. Because Section 514 imposes a substantial burden on speech, it must withstand First Amendment scrutiny. As this Court has frequently noted, copyright law generally promotes First Amendment values by encouraging free expression. The Copyright Clause does not, however, confer an exemption from the First Amendment. To the contrary, the First Amendment applies whenever Congress exercises one of its enumerated powers under Article I of the Constitution, including when it acts pursuant to the Copyright Clause. Limiting First Amendment scrutiny only to copyright laws directly affecting the principle of fair use or the idea/expression dichotomy would create a new category of wholly unprotected speech. Such an approach would be at odds with this Court's decision in *Eldred v. Ashcroft*, 537 U.S. 186 (2003), and with the Court's aversion to creating new categories of unprotected speech. Because fair use and the idea/expression dichotomy are not sufficient to address all free speech concerns that copyright laws such as Section 514 can raise, further First Amendment scrutiny is necessary and appropriate for Section 514 and other copyright laws that alter the traditional contours of copyright protection.

ARGUMENT

I. SECTION 514 IMPOSES A SIGNIFICANT BURDEN ON SPEECH THAT IS ENTITLED TO FULL FIRST AMENDMENT PROTECTION.

The express intent and effect of Section 514 is to remove certain works from the public domain and to transfer ownership of them back to their original creator. The result is that Petitioners and the public can no longer perform, adapt, share, distribute, or otherwise use these works without restriction. Because of the financial costs imposed by this restoration of copyrights, Petitioners and most members of the public will no longer be able to use many of these works at all. Even those with the financial means to use the works may not be able to do so if the restored copyright holder decides not to permit use of the material. As a result, innumerable previously permitted core First Amendment activities—musical and dramatic performances, literary adaptations, and film showings and distributions, to name a few—must cease.

The government has attempted to minimize Section 514's impact on First Amendment interests by claiming both that the quantity of speech affected is small and that the speech in question is entitled to limited, if any, First Amendment protection because it consists entirely of "other people's speeches." *See* BIO at 18. Neither contention has merit. Because Section 514 removes a significant quantity of speech from the public domain, it imposes a substantial burden on the free speech interests of

Petitioners and the public that are entitled to the full protection of the First Amendment.

A. Section 514 Impacts A Significant Quantity Of Valuable Speech.

The impact of Section 514 will be felt on thousands upon thousands of works previously held in the public domain. Over 50,000 registration notices have been filed by the new foreign copyright holders with the U.S. Copyright Office since passage of Section 514. *See* http://www.copyright.gov/gatt.html (listing notices and the titles of each work). The actual number of affected works is much greater than 50,000. By the government's own estimate, "[t]he works that qualify for copyright restoration probably number in the millions." *See* Peters, *supra*, at 31.

Although many of these works are obscure, some are widely acknowledged as classics in their respective fields. The works affected include symphonies by Shostakovich, Stravinsky, Prokofiev, and Rachmaninoff; books by J.R.R. Tolkien, Joseph Conrad, George Orwell, Virginia Woolf, C.S. Lewis, and H.G. Wells; poems by T.S. Eliot, including *The Waste Land*; films by Federico Fellini and Alfred Hitchcock; and artwork by M.C. Escher and Picasso, including Picasso's *Guernica*. Indeed, because the United States and Russia did not afford copyright protection to each other's citizens until 1973, every single work published in Russia before that year has been affected by Section 514 since none

of them was previously copyrightable in the United States due to a lack of "national eligibility." This includes, among many others, classic musical works such as Prokofiev's *Peter and the Wolf*, Shostakovich's *Symphony No. 5*, and Stravinsky's *Petroushka*.

All of these works were previously in the public domain, free to be used by anyone, without any restraint, financial or otherwise. With the passage of Section 514, that all changed. Now, after the filing of a boilerplate notice form by the new copyright holder (or his or her heirs or estate), use of these works is prohibited without the express permission of the copyright holder and the payment of licensing fees. Many copyright holders may refuse to permit their works to be used at all. *See, e.g., Shloss v. Sweeney*, 515 F. Supp. 2d 1068, 1072 (N.D. Cal. 2007) (heir to James Joyce estate refused to permit professor to quote from passages of *A Flower Given to My Daughter* in scholarly work). Even if the copyright holder chooses to permit the work's use, the licensing fees will often be prohibitive for many potential users, as the Record in this case demonstrates. *See, e.g., Golan*, 609 F.3d at 1082. The result will be that people across the United States who want to perform, share, and distribute these works will not be able to do so. In turn, their audiences will be deprived of the ability to hear, read, and see these invaluable works of music, literature, and the visual arts. The greatest impact will almost certainly be felt in small towns and economically depressed cities, and in drama and music programs in schools and colleges, where there

simply will not be sufficient resources to pay the demanded license fees. Thus, while it may still be possible for the New York Philharmonic or the Boston Pops to perform *Peter and the Wolf* for children in New York or Boston, children in many other towns and cities across the country may never get the opportunity to experience a performance of this music. In short, contrary to the government's assertion, Section 514's impact on First Amendment interests will be substantial, not minimal, and it will reach all of us.

B. Section 514 Imposes A Significant Burden On Speech Because Of The Importance Of The Public Domain.

The reason Section 514 is so harmful to free speech is because of the critical role that the public domain—from which these works have been removed—plays in the creative and intellectual process. The principal purpose of copyright and patents is to benefit the public; one of the ways that is achieved is by providing incentives to individuals to develop and to create works of art and science. *See, e.g., Harper & Row, Publishers, Inc. v. Nation Enters.*, 471 U.S. 539, 546 (1985) ("The monopoly created by copyright thus rewards the individual author in order to benefit the public." (internal quotation marks omitted)); *Twentieth Century Music Corp. v. Aiken*, 422 U.S. 151, 156 (1975) ("The immediate effect of our copyright law is to secure a fair return for an 'author's' creative labor. But the ultimate aim is, by this incentive, to stimulate artistic creativity for the general public good.");

Fox Film Corp. v. Doyal, 286 U.S. 123, 127 (1932) ("The sole interest of the United States and the primary object in conferring the monopoly lie in the general benefits derived by the public from the labors of authors.").

Preserving the public domain is critical to ensuring that this "ultimate aim" is achieved. The promise that after a limited period of exclusivity, the entire contents of copyrighted works will enter the public domain where they will be freely available to everyone for expressive use is integral to copyright, and is as important as its incentive function. That is because public domain works are the building blocks for future artists, inventors, and scientists, enriching them with ideas, inspirations, and foundations upon which to build new creations and inventions. *See, e.g., White v. Samsung Elecs. Am. Inc.*, 989 F.2d 1512, 1513 (9th Cir. 1993) (Kozinski, J., dissenting from denial of reh'g en banc) ("Nothing today . . . is genuinely new: Culture, like science and technology, grows by accretion, each new creator building on the works of those who came before."); James Boyle, *The Public Domain: Enclosing The Commons Of The Mind* 39 (2008) ("[T]he public domain is the basis for our art, our science, and our self-understanding. It is the raw material from which we make new inventions and create new cultural works."); William M. Landes & Richard A. Posner, *The Economic Structure of Intellectual Property Law* 66-67 (2003) ("Creating a new expressive work typically involves borrowing or building on material from a prior body of works, as well as adding original expression to it."); Richard R. Nelson & Sidney G.

Winter, *An Evolutionary Theory of Economic Change* 130 (1982) (stating that artistic, scientific, and practical innovation "consists to a substantial extent of a recombination of conceptual and physical materials that were previously in existence").

Famous examples abound regarding how the public domain has been used: Shakespeare borrowed titles, plots, characters, and sometimes even verbatim language from existing plays, histories, and biographies, *see* Richard A. Posner, *The Little Book of Plagiarism* 51–74 (2007); T.S. Eliot, John Milton, and James Joyce similarly created works based upon significant borrowing from prior authors, *see* Landes & Posner, *supra*, at 59-61; Mozart created variations on Salieri, Gluck, and others, *see* Daniel Heartz, *From Garrick to Gluck: Essays on Opera in the Age of Enlightenment* 64 (John A. Rice ed., 2004); Beethoven built upon the works of Diabelli, *see* Maynard Solomon, *Late Beethoven: Music, Thought, Imagination* 11 (2004); and even Disney, one of the leading voices for stronger copyright protections, has created numerous works based principally on public domain material, *see* Edward Lee Lamoureux, *Intellectual Property Law and Interactive Media* 45 (2009).

Far from being a depository for unimportant works not deserving of copyright protection, therefore, the public domain is critical to our cultural and intellectual heritage and future. *See, e.g.*, Boyle, *supra*, at 41 ("The public domain is the place we quarry the building blocks of our culture. It is, in fact, the majority of our

culture."); Jessica Litman, *The Public Domain*, 39 Emory L.J. 965, 968 (1990) ("The public domain should be understood not as the realm of material that is undeserving of protection, but as a device that permits the rest of the system to work by leaving the raw material of authorship available for authors to use."). Section 514 directly impacts this critical source of inspiration and ideas, literally taking a chunk of it away from all of us. By removing thousands and likely millions of works from the public domain, Section 514 has made it that much more difficult for future artists and inventors to create the next great work, and for the public to reap the benefits of their creativity and genius.

Copyright is an engine for free expression because it fuels and nurtures the generative process. It provides the impetus to get things moving, which leads to the creation of new works, which in turn leads to even more works, and so on. As the Tenth Circuit aptly explained, the copyright system furthers expression by establishing a sequence for creative works to move from "1) creation; 2) to copyright; 3) to the public domain." *Golan*, 501 F.3d at 1189; *see also id.* at 1183 ("These imaginative works inspire new creations, which in turn inspire others, hopefully, ad infinitum. This cycle is what makes copyright 'the engine of free expression.'" (citation omitted)). By altering this sequence and taking works out of the public domain, Section 514 has broken this creative cycle that has proven so critical to the development of creative works for centuries.

C. The Speech Affected By Section 514 Is Entitled To Full First Amendment Protection.

The government attempts to make these significant First Amendment burdens disappear by asserting that the speech affected by Section 514 is entitled to limited, if any, First Amendment protection because it consists entirely of "'other people's speeches.'" *See* BIO at 18 (quoting *Eldred v. Ashcroft*, 537 U.S. 186, 221 (2003)). That claim is factually and legally incorrect.[4]

First, works in the public domain—the material affected by Section 514—are not "other people's speeches." They are the public's speech. Each of us "owns" everything in the public domain. We are all free to use anything in it, however we see fit, with no restrictions imposed by anyone—including the original creator or his or her descendants or heirs. *See, e.g.*, *Dastar Corp. v. Twentieth Century Fox Film Corp.*, 539 U.S. 23, 33-34 (2003) ("[O]nce the . . . copyright monopoly has expired, the public may use the . . . work at will and without attribution."); *Am. Tobacco Co. v. Werckmeister*, 207 U.S. 284, 299-300 (1907) (observing that widespread publication of a work without copyright protection "render[s] such work common property" (internal quotation marks omitted)); *see also Golan*, 501 F.3d at 1192-

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[4] The government's even more extreme claim that the speech at issue in this case is entitled to no First Amendment scrutiny once it is determined that neither the fair use nor the idea/expression doctrines apply is addressed in Part II, *infra*.

93 ("In other words, each member of the public—'anyone'—has a non-exclusive right, subject to constitutionally permissible legislation, to use material in the public domain."). Thus, by using a work in the public domain, Petitioners and the public are not making "other people's speeches"—even if someone else originally created that work—any more than a person driving his or her car is driving "other people's cars" merely because Chevrolet or GM "made" the car that he or she owns.

Second, even if the public did not own these works, it would still be incorrect to state that Section 514 *only* affects people making "other people's speeches." The government's assertion is based on the erroneous premise that all Petitioners and the public are doing with these public domain works is merely copying them verbatim and nothing more. That is not correct. An orchestra that performs Shostakovich's *Symphony No. 5* or a poet that recites T.S. Eliot's *The Waste Land* is engaged in an interpretive exercise that is itself expressive. Thus, although it is true that Francis Scott Key originally wrote the lyrics for what became the *Star-Spangled Banner*, it is equally true that Jimi Hendrix's electric guitar-solo at Woodstock in 1969, Marvin Gaye's soul rendition before the 1983 NBA All-Star Game, Igor Stravinsky's controversial rendition with the Boston Symphony in 1944, José Feliciano's equally controversial Latin-infused acoustic guitar version at the 1968 World Series, and Roseanne Barr's infamous version before a baseball game in 1990, are each their "own" speech, not just "someone else's" speech.

Indeed, the government's argument completely overlooks the fact that derivative works—themselves copyrightable if they possess sufficient originality, *see* 17 U.S.C. § 103(b)—are covered by Section 514. Derivative works are by definition not just "other people's speeches," even if they build upon someone else's original creation.

Finally, the First Amendment applies even to speech affected by Section 514 that could, as a factual matter, accurately be said to consist solely of repeating other people's speech. Unlike copyright and patents, First Amendment rights do not depend on a speaker saying or doing anything original or novel. The government's argument to the contrary ignores numerous decisions from this Court establishing that full First Amendment protection is afforded against government-imposed restrictions on speech even when the speaker is not the first person to utter the expression at issue.

As an initial matter, the Court has made clear that the First Amendment protects not just the right to speak in the first instance, but the right to publish and to circulate or distribute such speech—written by oneself or by others—and that such expressive activities enjoy the same level of First Amendment protection as does the author's original speech. "Liberty of circulating is as essential to that freedom as liberty of publishing; indeed, without the circulation, the publication would be of little value." *Lovell v. City of Griffin*, 303 U.S. 444, 452 (1938) (quoting *Ex parte Jackson*, 96 U.S. 727, 733 (1877)); *see also Int'l*

Soc. for Krishna Consciousness v. Lee, 505 U.S. 672, 702-03 (1992) (Kennedy, J., concurring) ("We have long recognized that the right to distribute flyers and literature lies at the heart of the liberties guaranteed by the Speech and Press Clauses of the First Amendment."); *Martin v. City of Struthers*, 319 U.S. 141, 146-47 (1943) ("Freedom to distribute information to every citizen wherever he desires to receive it is so clearly vital to the preservation of a free society that, putting aside reasonable police and health regulations of time and manner of distribution, it must be fully preserved.").

Bartnicki v. Vopper, 532 U.S. 514 (2001), makes this point crystal clear. In that case, the Court considered an as-applied challenge to the constitutionality of a provision making it illegal to disclose a tape recording of an illegally-intercepted conversation—a conversation exclusively composed, by definition, of "other people's speeches." *See id.* at 517. The government argued that the disclosure and the publishing of the recording was expressive conduct, not speech. *Id.* at 527. The Court rejected that argument, concluding that "the naked prohibition against disclosures is fairly characterized as a regulation of pure speech." *Id.* at 526. Indeed, "'If the acts of 'disclosing' and 'publishing' information do not constitute speech, it is hard to imagine what does fall within that category, as distinct from the category of expressive conduct.'" *Id.* at 527 (citation omitted).

If the government were correct that lesser First Amendment protections adhere to those not

engaging in their own original speech, people who distribute Bibles or other religious literature, or people who stand in a public park or on a public sidewalk quoting from the Bible, would not be entitled to full First Amendment protection. That is not and should not be the law. *See, e.g.*, *Murdock v. Pennsylvania*, 319 U.S. 105, 109-10 (1943) (holding that the hand-distribution of religious literature by workers "has the same claim as the others to the guarantees of freedom of speech and freedom of the press" and that "spreading one's religious beliefs or preaching the Gospel through distribution of religious literature and through personal visitations is an age-old type of evangelism with as high a claim to constitutional protection as the more orthodox types"); *Schneider v. Town of Irvington*, 308 U.S. 147, 165 (1939) (invalidating ordinance enforced against a member of the Jehovah's Witnesses who was arrested for handing out cards citing Biblical passages). These individuals handing out Bibles or reciting their favorite Biblical passages did not, of course, originally write those materials—*i.e.*, in the government's view, they were merely delivering "other people's speeches." Their speech is nevertheless entitled to the full protection of the First Amendment and not, as the government is now proposing, some lesser form of protection.

Numerous other examples abound where the First Amendment protects the rights of individuals utilizing speech originally made by "other people." For example, wearing t-shirts or other expressive articles of clothing—almost all of which are made by other people, with someone else's original words on them—indisputably

entitles the wearer to the full protection of the First Amendment. Thus, in *Cohen v. California*, 403 U.S. 15 (1971), the Court held that Paul Cohen could not be convicted of a crime for wearing a jacket emblazoned with an anti-Vietnam War slogan on its back, even though he was certainly not the first to utter that infamous three-word saying and he likely did not make the jacket himself. *See id.* at 16; *see also Tinker v. Des Moines Indep. Cmty. Sch. Dist.*, 393 U.S. 503, 505-06 (1969) (upholding First Amendment right of students to wear black armbands in school). It is similarly beyond question that individuals have the full First Amendment right to place signs with political slogans on their lawns, in their windows, or on their cars, even though the vast majority of those signs and slogans are first created and conceived by others, such as a political candidate. *See, e.g., City of Ladue v. Gilleo*, 512 U.S. 43, 45-46, 55 (1994) (holding that a city ordinance banning the display of almost all residential signs is unconstitutional, where respondent had displayed signs proclaiming "Say No to War in the Persian Gulf, Call Congress Now" and "For Peace in the Gulf" in her private yard, and noting that "residential signs have long been an important and distinct medium of expression"). Even political protests—clearly a realm fully protected by the First Amendment—often involve protesters repeating speech first uttered by others, whether it be by holding up picket signs and banners, wearing t-shirts and buttons, or chanting and singing. *See, e.g., Edwards v. South Carolina*, 372 U.S. 229, 235, 241 (1963) (stating that, "[t]he circumstances in

this case reflect an exercise of these basic constitutional rights in their most pristine and classic form," where a crowd gathered in front of the South Carolina State House in protest, singing "I Shall Not Be Moved" and various religious songs).

One of the reasons the First Amendment protects this speech is that by choosing which words to publish, to distribute, and to repeat—and which *not* to use—a non-original speaker is making his or her own expressive, communicative choices, deciding what speech he or she believes is valuable and worthy of distribution to others. "Thus, through original programming or by exercising editorial discretion over which stations or programs to include in its repertoire, [a cable operator] seeks to communicate messages on a wide variety of topics and in a wide variety of formats." *City of Los Angeles v. Preferred Commc'ns, Inc.*, 476 U.S. 488, 494 (1986); *see also Arkansas Educ. Television Comm'n v. Forbes*, 523 U.S. 666, 674 (1998) ("When a public broadcaster exercises editorial discretion in the selection and presentation of its programming, it engages in speech activity."). In other words, one can engage in expressive activities not just by creating one's own original programming, but also by deciding which "speech by others" to disseminate. *See, e.g., Hurley v. Irish-Am. Gay, Lesbian & Bisexual Group of Boston*, 515 U.S. 557, 570 (1995) ("[T]he presentation of an edited compilation of speech generated by other persons is a staple of most newspapers' opinion pages, which, of course, fall squarely within the core of First Amendment security.").

The Court has likewise made clear that the same words can have very different meanings and convey very different messages depending on where the speech is made and the identity of the speaker—regardless of who first uttered the words. As the Court explained in *City of Ladue*:

> Displaying a sign from one's own residence often carries a message quite distinct from placing the same sign someplace else, or conveying the same text or picture by other means. . . . A sign advocating 'Peace in the Gulf' in the front lawn of a retired general or decorated war veteran may provoke a different reaction than the same sign in a 10-year-old child's bedroom window or the same message on a bumper sticker of a passing automobile. An espousal of socialism may carry different implications when displayed on the grounds of a stately mansion than when pasted on a factory wall or an ambulatory sandwich board.

512 U.S. at 56-57. In other words, even if two people say exactly the same things, they can send two entirely different messages, each of which is deserving of full First Amendment protection, regardless of whether the second speaker was merely repeating the words of the first.[5]

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[5] The government's argument also ignores that the right to hear—the right to "receive information and ideas"—is as strongly protected by the First Amendment as is the right to speak. *See, e.g., Bd. of Educ. v. Pico*, 457 U.S. 853, 866–

The Court's decision in *Eldred* is not to the contrary. To be sure, that decision states that the First Amendment "bears less heavily when speakers assert the right to make other people's speeches," 537 U.S. at 221, but that statement was made in the context of an asserted right to use other people's copyrighted works in the future, not works that have been in the public domain. Unlike in *Eldred*, therefore, the First Amendment right asserted here is the right to continue engaging in speech on the same terms that existed before Section 514 was enacted. The government itself properly acknowledged the constitutional significance of that distinction in *Eldred*. *See Golan*, 501 F.3d at 1194 n.4 (discussing the government's response to certain questions during the *Eldred* oral argument, and stating that, "The Solicitor General replied that although such an act was not inconceivable, the public domain likely presented a 'bright line'

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67 (1982); *Va. State Bd. of Pharmacy v. Va. Citizens Consumer Council, Inc.*, 425 U.S. 748, 756–57 (1976); *Kleindienst v. Mandel*, 408 U.S. 753, 762–63 (1972); *Stanley v. Georgia*, 394 U.S. 557, 564 (1969). This right to receive information does not depend on whether the person providing the information is making "other people's speeches" or his or her own original speech. It focuses exclusively on the right of the reader or listener to see or hear the speaker's words, whatever their source might be. Even if the government were right that the speakers affected by Section 514 had reduced First Amendment interests because they were merely propounding other people's speeches, Section 514 would still have a substantial harmful impact on First Amendment rights because it prevents readers and listeners from receiving the information and ideas that they otherwise would have received.

because once '[s]omething . . . has already gone into the public domain [ ] other individuals or companies or entities may then have acquired an interest in, or rights to be involved in disseminating [the work.]'" (quoting Tr. of Oral Arg. at 44, *Eldred v. Ashcroft*, 537 U.S. 186 (2003) (No. 01–618))). The government was right then; it is wrong now.

II. FIRST AMENDMENT SCRUTINY APPLIES TO COPYRIGHT LAWS LIKE SECTION 514 THAT ALTER THE BALANCE BETWEEN COPYRIGHT AND FREE SPEECH.

Copyright laws regulate speech. They determine who can speak and what people can say. At the same time, copyright can itself be speech-enhancing. Copyright regulates speech for the express purpose of creating new speech. *See, e.g.*, *Eldred*, 537 U.S. at 219 ("[C]opyright's purpose is to promote the creation and publication of free expression."); *Mazer v. Stein*, 347 U.S. 201, 219 (1954) ("The economic philosophy behind the clause empowering Congress to grant patents and copyrights is the conviction that encouragement of individual effort by personal gain is the best way to advance public welfare through the talents of authors and inventors in 'Science and useful Arts.'"). In this manner, despite its speech-restrictive aspects, copyright is intended to serve as an "engine of free expression." *Harper & Row*, 471 U.S. at 558.

To ensure that it does so, the carefully-calibrated balance between the Copyright Clause

and the First Amendment must be heeded. Thus, although in general "copyright's limited monopolies are compatible with free speech principles," *see Eldred*, 537 U.S. at 219, that does not mean that copyright laws will never cross the line and violate the First Amendment by upending the delicate balance established by the Constitution.

Recognizing this possibility, the Court in *Eldred* refused to immunize copyright laws from all First Amendment protection. 537 U.S. at 221 ("We recognize that the D.C. Circuit spoke too broadly when it declared copyrights 'categorically immune from challenges under the First Amendment.'" (citation omitted)). In *Eldred* itself, the Court found "further First Amendment scrutiny . . . unnecessary" because it concluded that the copyright extension law at issue in that case did not "alter[] the traditional contours of copyright protection." *Id.* Implicit in that holding is a recognition that "further First Amendment scrutiny" is both necessary and appropriate when congressional action "alter[s] the traditional contours of copyright protection" in a significant way.

Section 514 does precisely that. As the Tenth Circuit succinctly explained:

> [A] limited copyright attaches at the moment a work is created. When the copyright expires at the end of the statutory period, the work becomes part of the public domain. Until § 514, every statutory scheme preserved the same sequence. A

> work progressed from 1) creation; 2) to copyright; 3) to the public domain. Under § 514, the copyright sequence no longer necessarily ends with the public domain: indeed, it may begin there. Thus, by copyrighting works in the public domain, the URAA has altered the ordinary copyright sequence.

Golan, 501 F.3d at 1189 (footnote omitted). In so doing, Section 514 "transformed the ordinary process of copyright protection and contravened a bedrock principle of copyright law that works in the public domain remain in the public domain." *Id.* at 1192.

The government cannot seriously dispute that Section 514 "alter[s] the traditional contours of copyright protection" by providing such protection to works that had previously been in the public domain. Instead, the government accuses the Tenth Circuit of "misreading" *Eldred*. BIO at 22. But it is the government that misreads *Eldred* by arguing that "so long as Congress preserves the idea/expression dichotomy and the established 'fair use' defense, any incidental burden on expression that copyright protection entails raises no First Amendment concern." BIO at 22-23.

Contrary to the government's assertion, *Eldred* makes clear that laws affecting fair use or the idea/expression dichotomy are not the only ones that can implicate First Amendment interests: "To the extent such assertions raise First Amendment concerns, copyright's built-in

free speech safeguards are *generally* adequate to address them." *Eldred*, 537 U.S. at 221 (emphasis added). The clear import of that statement is that although fair use and the idea/expression dichotomy (*i.e.*, "copyright's built-in free speech safeguards") are often (*i.e.*, "generally") sufficient to ameliorate First Amendment concerns, that is not always the case. This interpretation is entirely consistent with the conclusion reached by the Eleventh Circuit in a case decided before *Eldred*. *See Suntrust Bank v. Houghton Mifflin Co.*, 268 F.3d 1257, 1263 (11th Cir. 2001) ("[T]he balance between the First Amendment and copyright is preserved, *in part*, by the idea/expression dichotomy and the doctrine of fair use." (emphasis added)); *id.* at 1265 (stating that fair use and the idea/expression dichotomy ensure that "courts *often* need not entertain related First Amendment arguments in a copyright case" (emphasis added)).

The Court's discussion of the "supplement[al]" First Amendment protections contained in the statute at issue in *Eldred*, *see* 537 U.S. at 220, similarly makes clear that fair use and the idea/expression dichotomy are not the only vehicles through which First Amendment interests are accommodated in the copyright context. Other copyright principles, such as the first-sale doctrine, *see* 17 U.S.C § 109(a); *Bobbs-Merrill Co. v. Straus*, 210 U.S. 339, 350-51 (1908), which ensures that libraries can share their materials with patrons, and, of course, the "bedrock principle of copyright law that works in the public domain remain in the public domain," *Golan*, 501 F.3d at 1192, have also long provided

critical First Amendment protections and helped preserve the proper balance between copyright and free speech. Where, as here, these or other fundamental principles implicating First Amendment interests are affected by copyright legislation, further First Amendment scrutiny must be applied.

In essence, the government is trying to obtain a subset of the categorical immunization for copyright laws that this Court has already rejected. Having been defeated in its effort to exempt all copyright laws from any First Amendment scrutiny in *Eldred*, the government is now attempting to create a similar categorical exception to the First Amendment for any copyright laws that do not eviscerate fair use or the idea/expression dichotomy. In other words, "The claim is not just that Congress may regulate [copyright] subject to the First Amendment, but that [copyright laws] are outside the reach of that Amendment altogether—that they fall into a 'First Amendment Free Zone.'" *United States v. Stevens*, 130 S. Ct. 1577, 1585 (2010) (citation omitted). The Court should again resist this request to create a broad new category of speech beyond the reach of the First Amendment.

The Court has recognized a very limited number of narrowly-defined "historic and traditional categories" of speech that are outside the protections of the First Amendment, *see Simon & Schuster, Inc. v. Members of N.Y. State Crime Victims Bd.*, 502 U.S. 105, 127 (1991) (Kennedy, J., concurring in judgment), including defamation, incitement, obscenity, and child

pornography, *see Ashcroft v. Free Speech Coal.*, 535 U.S. 234, 245-46 (2002). The Court's modern jurisprudence, however, has evinced a distinct disfavor towards creating new categories of unprotected speech. "Our decisions since the 1960's have narrowed the scope of the traditional categorical exceptions for defamation and for obscenity," not opened the door to the creation of additional categories of wholly unprotected speech. *R.A.V. v. City of St. Paul*, 505 U.S. 377, 383 (1992) (citations omitted); *see also Stevens*, 130 S. Ct. at 1585-87 (rejecting government's attempt to add "depictions of animal cruelty" as a new category of unprotected speech); *Free Speech Coal.*, 535 U.S. at 246 (declining to recognize virtual child pornography "as an additional category of unprotected speech"); *Texas v. Johnson*, 491 U.S. 397, 417 (1989) (holding that there is not a "separate juridical category" for the American flag); *Hustler Magazine v. Falwell*, 485 U.S. 46, 56 (1988) (declining to find that an "outrageous" political cartoon was the "sort of expression . . . governed by any exception to the general First Amendment principles"); *Va. State Bd. of Pharmacy v. Va. Citizens Consumer Council, Inc.*, 425 U.S. 748, 761 (1976) (rejecting prior precedent that commercial speech was entirely beyond the protections of the First Amendment); *Cohen*, 403 U.S. at 24 ("[W]e cannot overemphasize that . . . most situations where the State has a justifiable interest in regulating speech will fall within one or more of the various established exceptions.").

The Court's "hesitancy" to "mark off new categories of speech for diminished constitutional

protection" reflects appropriate "skepticism about the possibility of courts' drawing principled distinctions to use in judging governmental restrictions on speech and ideas." *See Denver Area Educ. Telecomm. Consortium, Inc. v. FCC*, 518 U.S. 727, 804-05 (1996) (Kennedy, J., concurring in part and dissenting in part). As the Court recently explained:

> Our decisions in *Ferber* and other cases cannot be taken as establishing a freewheeling authority to declare new categories of speech outside the scope of the First Amendment. Maybe there are some categories of speech that have been historically unprotected, but have not yet been specifically identified or discussed as such in our case law. But if so, there is no evidence that "depictions of animal cruelty" is among them.

Stevens, 130 S. Ct. at 1586.

Nor is there any reason to conclude that "copyright laws not directly affecting fair use or the idea/expression dichotomy" is such a historically unprotected category. As the Tenth Circuit correctly recognized, far from being historically unprotected, the speech affected by the government's proposed new category—"unrestrained artistic use of these [public domain] works"—has long been protected by the First Amendment. *See Golan*, 501 F.3d at 1193 (discussing Supreme Court cases holding that "music," "motion pictures, programs broadcast by

radio and television, . . . live entertainment, such as musical and dramatic works," and "pictures, films, paintings, drawings, and engravings" are protected by the First Amendment (citations omitted)).

What the government is essentially arguing is that it has the unrestrained authority to designate, on an ad hoc basis, speech that is outside the protection of the First Amendment, so long as fair use and the idea/expression dichotomy are preserved. That cannot be permissible. If it were, it would mean that Congress would have free rein to enact whatever copyright legislation it desires, without any possibility of First Amendment judicial review, so long as Congress simply left intact the principles of fair use and the idea/expression dichotomy. Suppose that Congress enacted a viewpoint-based copyright law—e.g., a law providing copyright protection to works praising Congress, but denying any protection for works criticizing Congress. Such a law would plainly violate the First Amendment requirement of viewpoint neutrality. *See, e.g., Johnson*, 491 U.S. at 414 (holding that viewpoint discrimination is not permissible). Under the government's view, however, the law would not only be beyond the reach of the First Amendment, it would not even be subject to any judicial review because it would not affect fair use or the idea/expression dichotomy.

Other copyright laws raising serious First Amendment concerns having no impact on fair use or the idea/expression dichotomy are not hard

to imagine. For example, Congress could enact a law conditioning copyright eligibility upon a promise by the potential copyright holder to refrain from ever engaging in abusive or indecent speech in the future. Such a law would likely be struck down as a prior restraint, *see Near v. Minnesota*, 283 U.S. 697, 713-14 (1931), as well as for being unconstitutionally vague, *see Gooding v. Wilson*, 405 U.S. 518, 527 (1972) (holding that a statute prohibiting "abusive" speech is vague), overbroad, *see Reno v. ACLU*, 521 U.S. 844, 876-79 (1997) (invalidating regulation of "indecent" speech on the Internet because, among other things, it was overbroad), and for imposing an unconstitutional condition on speech, *see Perry v. Sinderman*, 408 U.S. 593, 597 (1972). Under the government's approach, however, because the law would not implicate fair use or the idea/expression dichotomy, it would not even be subject to any First Amendment scrutiny by a court. "Such a simplistic, all-or-nothing-at-all approach to First Amendment protection is at odds with common sense and with our jurisprudence as well." *R.A.V.*, 505 U.S. at 384.

That copyright laws that impose a substantial burden on speech, but have no impact on fair use or the idea/expression dichotomy, must comport with the First Amendment should come as no surprise. *See, e.g.*, *Stevens*, 130 S. Ct. at 1585 ("The Constitution is not a document 'prescribing limits, and declaring that those limits may be passed at pleasure.'" (quoting *Marbury* v. *Madison*, 5 U.S. (1 Cranch) 137, 178 (1803))); *Saenz v. Roe*, 526 U.S. 489, 508 (1999) ("Article I of the Constitution grants Congress broad power

to legislate in certain areas. Those legislative powers are, however, limited not only by the scope of the Framers' affirmative delegation, but also by the principle that they may not be exercised in a way that violates other specific provisions of the Constitution." (internal quotation marks omitted)); *Buckley v. Valeo*, 424 U.S. 1, 132 (1976) ("Congress has plenary authority in all areas in which it has substantive legislative jurisdiction so long as the exercise of that authority does not offend some other constitutional restriction." (citation omitted)).[6]

"[C]opyright is intended to increase and not to impede the harvest of knowledge." *Harper & Row*, 471 U.S. at 545. Where, as here, copyright legislation defines the scope of copyright in a manner that alters the delicate balance between copyright and free speech by imposing a substantial burden on speech that cannot be ameliorated by the principle of fair use or the idea/expression dichotomy, further First Amendment scrutiny is necessary to ensure that the appropriate constitutional balance is maintained. *See, e.g., Eldred*, 537 U.S. at 221; *NAACP v. Button*, 371 U.S. 415, 438 (1963) (holding that where speech is at issue, laws must be narrowly drawn to ensure that First

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[6] That Congress enacted Section 514 to implement a treaty, as part of its foreign affairs powers, also does not mean that the statute can thereby bypass First Amendment scrutiny. *See, e.g., Boos v. Barry*, 485 U.S. 312, 324 (1988); *Reid v. Covert*, 354 U.S. 1, 16 (1957). That issue need not be reached in this case, however. As Petitioners point out, Br. for Pet'rs at 45-54, Section 514 as written is not necessary for the U.S. to comply with its treaty obligations.

Amendment rights are not unnecessarily infringed).

That is precisely why this Court rejected the categorical immunization rule created by the D.C. Circuit in the *Eldred* case and established the principle that copyright laws that "alter[] the traditional contours of copyright protection" must withstand "further First Amendment scrutiny." *Eldred*, 537 U.S. at 221. The Court should similarly resist the request here to create a new categorical exemption for copyright laws that do not affect fair use or the idea/expression dichotomy.

CONCLUSION

The judgment of the court of appeals should be reversed. The Court should also reject the government's arguments that Section 514 does not substantially burden First Amendment interests and that First Amendment scrutiny is not available for this copyright statute.

Respectfully submitted,

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AMICUS CURIAE BRIEF

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No. 10-545

IN THE

Supreme Court of the United States

LAWRENCE GOLAN, *et al.*,

Petitioners,

v.

ERIC H. HOLDER, JR., IN HIS OFFICIAL CAPACITY AS ATTORNEY GENERAL OF THE UNITED STATES, *et al.*,

Respondents.

On Writ of Certiorari to the United States Court of Appeals for the Tenth Circuit

BRIEF OF THE AMERICAN BAR ASSOCIATION AS *AMICUS CURIAE* IN SUPPORT OF RESPONDENTS

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QUESTIONS PRESENTED

Section 514 of the Uruguay Round Agreements Act of 1994 granted copyright protection to millions of works that the Copyright Act had placed in the public domain of the United States, where they had remained for years as the common property of all Americans and free to use without restriction. The questions presented here are:

1. Does the Copyright Clause of the United States Constitution prohibit Congress from taking works out of the public domain?

2. Does Section 514 violate the First Amendment of the United States Constitution?

TABLE OF CONTENTS

QUESTIONS PRESENTED i

TABLE OF CONTENTS ii

TABLE OF AUTHORITIES iii

INTEREST OF THE AMICUS CURIAE 1

SUMMARY OF ARGUMENT 4

ARGUMENT 6

A. The Copyright Clause Gives Congress the Power to Restore Copyrights 6

B. Section 514 Does Not Violate the First Amendment 11

1. Deferential Review – Not Intermediate Scrutiny – is the Appropriate Standard of Review 11

2. Section 514 Is Narrowly Tailored to Meet Important Governmental Objectives 15

CONCLUSION 21

TABLE OF AUTHORITIES

Cases

Burrow-Giles Lithographic Co. v. *Sarony*,
111 U.S. 53 (1884) 8

Eldred v. *Ashcroft*,
537 U.S. 186 (2003) ..... *passim*

Golan v. Gonzales,
501 F.3d 1179 (10th Cir. 2007) 9

Golan v. *Gonzales*,
No. 01-B-1854(BNB), 2005 U.S. Dist.
LEXIS 6800 (D. Colo. 2005) 16

Golan v. Holder,
609 F.3d 1076 (10th Cir. 2010) 9

Harper & Row Publishers, Inc. v. *Nation Enterprises*,
471 U.S. 539 (1985) 11

Kahle v. *Gonzales*,
487 F.3d 697 (9th Cir. 2007) 9

Luck's Music Library, Inc. v. *Ashcroft*,
321 F. Supp. 2d 107 (D.D.C. 2004),
aff'd on other grounds,
407 F.3d 1262 (D.C. Cir. 2005) 6, 10

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272 U.S. 52 (1926) 8

New York Times Co., Inc. v. *Tasini*,
533 U.S. 483 (2001) 11

Satava v. *Lowry*, 10
323 F.3d 805 (9th Cir. 2003) 10

Silvers v. *Sony Pictures Entertainment, Inc.*,
402 F.3d 881 (9th Cir. 2005) 10

Turner Broad. Sys., Inc. v. *FCC*,
520 U.S. 180 (1997) 12

Wheaton v. Peters,
33 U.S. (8 Pet.) 591 (1834) 6

Constitution, International Agreements, Statutes, and Regulations

17 U.S.C. § 102 9

17 U.S.C. § 104A 3, 15, 16

17 U.S.C. § 110 12

Act of Dec. 18, 1919 Pub. L. No. 66-102,
41 Stat. 368 7

Berne Convention for the Protection of
Literary and Artistic Works art.
18, *adopted on* Sept. 9, 1886,
S. TREATY DOC. NO. 99-27 (1986),
1161 U.N.T.S. 3
(revised at Paris July 24, 1971) 13

Copyright Act of 1790, ch. 15,
1 Stat. 124, § 1 6

Emergency Copyright Act of 1941,
Pub. L. No. 77-258, 55 Stat. 732 7

North American Free Trade implementation
Act, Pub. L. No. 103-182, 107
Stat. 2057 (1993) 8

Proclamation No. 2608,
3 C.F.R. § 2608 (1944) 7

Proclamation No. 2722,
3 C.F.R. § 2722 (1947) 7

Proclamation No. 2729,
2 C.F.R. § 2729 (1947) 7

Proclamation No. 2863,
3 C.F.R. § 2683 (1949) 7

Proclamation No. 2953,
3 C.F.R. § 2953 (1951) 7

Proclamation No. 2958,
3 C.F.R. § 2958 (1951) 7

Proclamation No. 2963,
3 C.F.R. § 2963 (1952) 7

Proclamation No. 3792,
3 C.F.R. § 3792 (1967) 7

Proclamations of Warren Harding, 42 Stat. 2271-278 (1922) 7

Proclamations of Woodrow Wilson, 41 Stat. 1790 (1920) 7

Trade-Related Aspects of Intellectual Property Rights, April 15, 1994, 33 I.L.M. 11992, ... 3, 12

Uruguay Round Agreements Act, Pub. L. No. 103-465, 108 Stat. 4809, 4976 (1994), codified as amended at 17 U.S.C. Sections 104A, 109 3

U.S. Const. art. I, § 8..... 5

Miscellaneous

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INTEREST OF THE AMICUS CURIAE[1]

Amicus curiae American Bar Association ("ABA") respectfully submits this brief in support of respondents, Eric Holder, Jr., *et al.* Pursuant to policy adopted by the ABA, which sets forth the view of a broad cross-section of its members, the ABA urges this Court to affirm the judgment of the Tenth Circuit, but to do so applying a deferential standard of review.

The ABA is the leading national voluntary bar organization of the legal profession, having nearly 400,000 members. Its members come from each of the fifty states, the District of Columbia, and the U.S. Territories. Membership includes attorneys in private practice, government service, corporate law departments, and public interest organizations, as well as legislators, law professors, law students, and non-lawyer associates in related fields.[2]

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[1] Pursuant to Rule 37.6, *amicus curiae* certifies that no counsel for a party authored this brief in whole or in part and that no person or entity, other than *amicus*, its members, or its counsel, has made any monetary contribution to the preparation or submission of this brief. The parties have filed letters with the Clerk of the Court providing blanket consent to the filing of *amicus* briefs.

[2] Neither this brief nor the decision to file it should be interpreted to reflect the views of any judicial member of the ABA. No inference should be drawn that any member of the Judicial Division Council has participated in the adoption or endorsement of the positions in this brief. This brief was not circulated to any member of the Judicial Division Council prior to filing.

Particularly relevant to this case, the ABA's Section of Intellectual Property Law ("IPL Section") is the world's largest organization of intellectual property professionals, with approximately 25,000 members, including partners, associates, and law students. Attorneys in the IPL Section represent diverse interests, including copyright owners, users of works of authorship, large and small corporations, libraries, universities, and individual authors.

The ABA policy addressed in this case originated in the IPL Section's Copyright Task Force, which is composed of the chairs of all the IPL Section's copyright committees as well as attorneys with copyright expertise. The Task Force was created to monitor judicial developments and to develop policy on matters of special importance. Before its presentation to the ABA's House of Delegates, the report and resolution that gave rise to the applicable ABA policy was approved both initially by the Task Force and subsequently by the IPL Section Council.[3] In the House of Delegates, the IPL Section's resolution was cosponsored by the Section of International Law and the Section of Antitrust Law.

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[3] The ABA's House of Delegates ("HOD") is the ABA's policy-making body. The HOD is composed of more than 550 delegates representing states and territories, state and local bar associations, affiliated organizations, sections and divisions, ABA members and the Attorney General of the United States, among others. Only recommendations adopted by the HOD become ABA policy. *See* ABA General Information, *available at* http://www.abanet.org/leadership/delegates.html.

The following Resolution was adopted as ABA policy by its House of Delegates at the 2010 Annual Meeting after discussion and analysis. It provides:

> RESOLVED, that the American Bar Association supports the principle that under the Copyright Clause of the Constitution of the United States (Article I, Section 8, clause 8), Congress has the power to implement U.S. obligations under international copyright treaties by restoring copyrights in certain works of foreign origin that have gone into the public domain.
>
> FURTHER RESOLVED, that the Association favors the position that Section 514 of the Uruguay Round Agreements Act, Pub. L. No. 103-465, 108 Stat. 4809, 4976 (1994), including the transitional protection it provides for prior users of restored works, does not violate, and is fully in accordance with, the Copyright Clause and the First Amendment of the Constitution of the United States.

This brief sets forth the analysis on which the ABA's policy is based.

SUMMARY OF ARGUMENT

It is important for the United States to comply with the international treaties that this country has ratified, and to do so in a way that does not encourage other countries to disregard their obligations under those treaties. Compliance in a manner that subjects this country to substantial international criticism undermines the effects of existing treaties and the government's ability to negotiate new ones. Congress made a judgment that Section 514 was the appropriate way to comply with the Berne Convention and the TRIPS Agreement,[4] and would result in important protections abroad for U.S. authors.[5] Congress had the power under the Constitution to enact Section 514. The provisions of that Section, and of the copyright law generally, adequately protect Petitioners' First Amendment interests.

The plain language of the Copyright Clause does not limit Congress's power to grant copyrights only to those works that are not in the public domain. Moreover, the historical record shows that Congress – including the First Congress, which passed the Copyright Act of 1790 – has repeatedly extended copyright protection to works in the public domain. Congress has done so on a substantial number of

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[4] Trade-Related Aspects of Intellectual Property Rights ("TRIPS"), April 15, 1994, 33 I.L.M. 1199.

[5] Section 514 was passed as part of the Uruguay Round Agreements Act, Pub. L. No. 103-465, 108 Stat. 4809, 4976 (1994) ("URAA"), codified as amended at 17 U.S.C. Sections 104A, 109.

occasions and in a variety of different circumstances. This history is evidence of the consistent view of Congress that it has the power to restore copyright protection to works that have fallen into the public domain should it desire to do so. *See* Section A, below.

Nor does Congress's exercise of its copyright power in Section 514 violate the First Amendment. The ABA believes that, when evaluating Section 514, deferential review – and not intermediate scrutiny – is the appropriate standard of review. Congress did not alter the traditional contours of copyright protection with Section 514; instead, it left in place the two First Amendment accommodations built into copyright law: (1) the "idea/expression dichotomy" and (2) the doctrine of "fair use." As such, under this Court's holding in *Eldred* v. *Ashcroft*, 537 U.S. 186 (2003), the ABA believes that deferential review of Section 514 is appropriate. A higher level of review is not required merely because some of the Petitioners may have relied on the public domain nature of certain restored works by performing those works before their copyright protection was restored. *See* Section B.1, below. However, even if this Court applies intermediate scrutiny, Section 514 would be constitutional because Section 514 serves important, interrelated government interests – the most critical of which is to ensure that the United States is in compliance with its treaty obligations – and because the means chosen by Congress to further those interests were narrowly tailored to meet that objective. *See* Section B.2, below.

ARGUMENT

A. The Copyright Clause Gives Congress the Power to Restore Copyrights

The Copyright Clause of the United States Constitution provides that: "The Congress shall have Power to . . . Promote the Progress of Science and useful Arts, by securing for limited Times to Authors and Inventors the exclusive Right to their respective Writings and Discoveries . . ." U.S. CONST. art. I, § 8.

The plain language of the Copyright Clause does not limit Congress's power to grant copyrights only to works that are outside the public domain. Petitioners rely on the phrase "for limited times" in support of the proposition that such a meaning should be read into the Copyright Clause. However, it is undisputed that under Section 514 a restored work will receive copyright protection for a limited time since the end point of such protection cannot extend beyond the date on which copyright protection would have expired had the work been protected all along.

The historical record shows that Congress – including the First Congress – has repeatedly extended copyright protection to works in the public domain. This Court in *Eldred* v. *Ashcroft*, 537 U.S. 186, 196 n.3 (2003), after analyzing the historical record surrounding the enactment in 1790 of the first federal copyright statute, concluded that: "the First Congress clearly did confer copyright

protection on works that had already been created."[6] In 1790, at least some of these works were in the public domain. *See Luck's Music Library, Inc.* v. *Ashcroft*, 321 F. Supp. 2d 107, 113-14 (D.D.C. 2004), *aff'd on other grounds*, 407 F.3d 1262 (D.C. Cir. 2005); Thomas B. Nachbar, *Intellectual Property and Constitutional Norms*, 104 COLUM. L. REV. 272, 338 n.284 (2004) ("Nachbar") ("Of the general copyright laws passed by the States during the years of the Articles of Confederation, the laws of two of the States (Maryland and Pennsylvania) never even came into effect; they included reciprocity clauses that were never fulfilled because one State, Delaware, never enacted a general copyright law . . .").

Indeed, the 1790 Act provided federal copyright protection to works that previously were unprotected and in the public domain in at least three important ways. First, several states had no operative copyright statutes and therefore no copyright protection at all.[7] Nachbar at 338 n. 284. Second, seven out of the ten states that did have operative copyright statutes did not protect "maps"

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[6] The Copyright Act of 1790 states: "That from and after the passing of this act, the author and authors of any map, chart, book or books *already printed* in these United States, being a citizen or citizens thereof . . . shall have the sole right and liberty of printing, reprinting, publishing and vending such map, chart, book or books, for the term of fourteen years." Copyright Act of 1790, ch. 15, 1 Stat. 124, § 1 (emphasis added).

[7] This Court has held that no common law post-publication copyright existed before the first Copyright Act. *Wheaton* v. *Peters*, 33 U.S. (8 Pet.) 591, 661 (1834).

or "charts," which the 1790 Act did protect. Resp. Br. at 19 n. 7. Third, the 1790 Act extended federal copyright protection even to works previously unprotected for failure to comply with the requisite formalities of state law. Resp. Br. at 19 n. 9. The parallel between the 1790 Act and Section 514 is striking: both provided copyright protection to previously unprotected works as part of an effort to create a more encompassing system of copyright protection.

Subsequent Congresses continued to extend copyright protection to works already in the public domain on several occasions. In particular, Congress has enacted two statutes that allowed the President to restore copyrights through proclamations, which allowed the President to restore copyrights to foreign authors for works published within specific time periods even though they were already in the public domain. *See* Act of Dec. 18, 1919 Pub. L. No. 66-102, 41 Stat. 368 ("1919 Amendment") and Emergency Copyright Act of 1941, Pub. L. No. 77-258, 55 Stat. 732 ("Emergency Copyright Act").

The 1919 Amendment provided retroactive copyright protection for war-time works from Austria, Denmark, Germany, Great Britain, Hungary, Italy and New Zealand. Presidents Wilson and Harding issued proclamations that restored copyrights to British and German works published during World War I in 1920 and 1922 respectively. *See* Proclamations of Woodrow Wilson, 41 Stat. 1790 (1920) and Proclamations of Warren Harding, 42

Stat. 2271-278 (1922). Similarly, under the Emergency Copyright Act, proclamations were issued that restored copyright protection to works in the public domain. *See, e.g.*, Proclamation No. 2608, 3 C.F.R. § 2608 (1944) (restoring copyright to United Kingdom of Great Britain and Northern Ireland authors); Proclamation No. 2722, 3 C.F.R. § 2722 (1947) (France); Proclamation No. 2729, 2 C.F.R. § 2729 (1947) (New Zealand); Proclamation No. 2863, 3 C.F.R. § 2683 (1949) (Australia); Proclamation No. 2953, 3 C.F.R. § 2953 (1951) (Finland); Proclamation No. 2958, 3 C.F.R. § 2958 (1951) (Italy); Proclamation No. 2963, 3 C.F.R. § 2963 (1952) (Denmark); Proclamation No. 3792, 3 C.F.R. § 3792 (1967) (Germany).[8]

Furthermore, in 1993, the North American Free Trade Agreement Implementation Act[9] restored copyright protection for Canadian and Mexican motion pictures created between January 1, 1978 and February 28, 1989 that had been in the public domain because of a failure to provide the required copyright notice. *See* Paul Goldstein, GOLDSTEIN ON COPYRIGHT § 18.5 (rev. 3d ed. Supp. 2011).

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[8] Petitioners dismiss these acts of Congress as reflecting Congress's recognition that it would be inappropriate to deny protection to authors who were "temporarily unable to comply with" formalities because of wartime events. Pet'rs' Br. at 40. Similar reasoning would, of course, apply to Section 514's restoration of copyright protection to those works that had fallen into the public domain because the United States and the work's home country did not have copyright relations.

[9] Pub. L. No. 103-182, 107 Stat. 2057 (1993).

In *Eldred* v. *Ashcroft*, 537 U.S. at 212, this Court described the importance of such a historical record in the context of its analysis of the constitutionality of a statute extending the copyright term of existing works. Such consistent congressional practice is entitled to:

> "very great weight, and when it is remembered that the rights thus established have not been disputed during a period of [over two] centur[ies], it is almost conclusive." *Burrow-Giles Lithographic Co.* v. *Sarony*, 111 U.S. at 57, 4 S.Ct. 279. Indeed, "[t]his Court has repeatedly laid down the principle that a contemporaneous legislative exposition of the Constitution when the founders of our Government and framers of our Constitution were actively participating in public affairs, acquiesced for a long term of years, fixes the construction to be given [the Constitution's] provisions." *Myers* v. *United States*, 272 U.S. 52, 175, 47 S.Ct. 21, 71 L.Ed. 160 (1926).

Eldred v. *Ashcroft*, 537 U.S. at 213.

B. Section 514 Does Not Violate the First Amendment

1. Deferential Review – Not Intermediate Scrutiny – is the Appropriate Standard of Review

This Court's ruling in *Eldred* provides significant guidance as to the level of scrutiny applicable to Section 514.[10] In that case, this Court held that when "Congress has not altered the traditional contours of copyright protection, further First Amendment scrutiny is unnecessary." *Eldred* v. *Ashcroft*, 537 U.S. at 521. As *Eldred* makes clear, the reference to the "traditional contours of copyright protection" describes the two First Amendment accommodations built into copyright law: the "idea/expression dichotomy" (*i.e.*, the principle that federal copyright law "distinguishes between ideas and expression and makes only the latter eligible for copyright protection") and the doctrine of "fair use." *Eldred* v. *Ashcroft*, 537 U.S. at 219-220; *see* 17 U.S.C. §§ 102(b), 107. *See also*

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[10] Petitioners argued in the court below that a heightened standard of review for their First Amendment claims was warranted because Section 514 exceeded the "traditional contours of copyright," citing *Eldred*, 537 U.S. at 521. Despite Respondents' arguments to the contrary, the Tenth Circuit held that heightened scrutiny was appropriate. *Golan v. Gonzales*, 501 F.3d 1179 (10th Cir. 2007). On remand, the parties agreed that Section 514 is content neutral, so the court below applied intermediate scrutiny in assessing the statute's constitutionality. *Golan v. Holder*, 609 F.3d 1076, 1082 (10th Cir. 2010).

Kahle v. *Gonzales*, 487 F.3d 697, 700 (9th Cir. 2007) (holding that Congress did not transgress constitutional limitations in placing existing and future copyrights in parity, and the two traditional First Amendment safeguards are sufficient to vindicate the speech interests affected); *Silvers* v. *Sony Pictures Entertainment, Inc.*, 402 F.3d 881, 893 (9th Cir. 2005) (Berzon, J., dissenting) (the two built-in First Amendment protections achieve a balance between the free flow of ideas and copyright, and are embedded in the traditional contours of copyright protection); *Satava* v. *Lowry*, 323 F.3d 805, 807 (9th Cir. 2003) (stating that the contours of copyright include Congress's carefully drawn expression/idea dichotomy); *accord Luck's Music Library*, 321 F. Supp. 2d at 118-19 (D.D.C. 2004).

As this Court further explained, "when speakers assert the right to make other people's speeches . . . , copyright's built-in free speech safeguards are generally adequate to address" any resulting First Amendment concerns. *Eldred,* 537 U.S. at 221. Thus, as long as Congress preserves the idea/expression dichotomy and the established "fair use" defense, any incidental burden on expression that copyright protection entails raises no First Amendment concern. It is these two free speech safeguards that define the "traditional contours of copyright protection."

The *Eldred* jurisprudence is consistent with prior case law that has concluded that the Framers of our Constitution intended for copyright protection

to encourage the creation of First Amendment protected speech:

> In our haste to disseminate news, it should not be forgotten that the Framers intended copyright itself to be the engine of free expression. By establishing a marketable right to the use of one's expression, copyright supplies the economic incentive to create and disseminate ideas.

Harper & Row Publishers, Inc. v. *Nation Enterprises*, 471 U.S. 539, 558 (1985); *see also Eldred* v. *Ashcroft*, 537 U.S. at 219 (partial quotation); *New York Times Co., Inc.* v. *Tasini*, 533 U.S. 483, 495 n.3 (2001) (internal citation omitted) ("Congress' adjustment of the author/publisher balance is a permissible expression of the 'economic philosophy behind the [Copyright Clause],' *i.e.*, 'the conviction that encouragement of individual effort [motivated] by personal gain is the best way to advance public welfare.'").

Section 514 serves precisely these First Amendment goals by protecting the interests of authors who had created works that prior to its enactment were, for a variety of reasons, not protected in the United States. Such core First Amendment concerns are not outweighed by the First Amendment interests of those who do not wish to create their own speech, but only to use, or to continue using, the speech of others. *Eldred*, 537

U.S. at 221 (copyright's built-in free speech safeguards are generally adequate to protect the rights of speakers who merely assert the right to make other people's speeches). Section 514 is fully consistent with the idea/expression dichotomy and the doctrine of fair use. Nothing in Section 514 prevents anyone from expressing the ideas found in the copyrighted works in their own words. Nothing in Section 514 prevents anyone from making "fair use" of the copyrighted materials – or availing themselves of other exceptions in the copyright law geared towards educational, scholarly and other uses.[11]

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[11] People routinely teach musical works still under copyright: copyrighted musical compositions are played by student bands, orchestras and soloists and sung by choruses and ensembles. There are several exceptions for public performance in Section 110 of the copyright statute, including for in-classroom use and distance education. *E.g.*, 17 U.S.C. Sections 110(1), 110(2). Even where an exception does not apply, there is a flourishing licensing market that enables use of such works on reasonable terms. Public performance of most copyrighted musical works is licensed in the United States by ASCAP and BMI (and, to a lesser extent, SESAC) for their entire repertoire, and such licenses are often taken on an annual basis by performance venues. But no one can be denied such a license. Those licenses tend to be reasonable, as ASCAP and BMI licenses are overseen by rate courts. ASCAP and BMI also license performance of foreign musical compositions (including restored works) on behalf of their foreign counterparts. *See* Paul Goldstein, GOLDSTEIN ON COPYRIGHT § 7.9 (rev. 3d ed. Supp. 2011). Moreover, Section 115 of the copyright law provides for a statutory license (at a set rate) to make and distribute new sound recordings of restored musical works. Finally, Section 104A(d)(3) assures that reliance parties can continue to use any derivative works (like sound recordings) that they made prior to restoration. Thus, the traditional

2. Section 514 Is Narrowly Tailored to Meet Important Governmental Objectives

Even if a heightened level of constitutional scrutiny is applied to Section 514, the statute does not violate the First Amendment because it is a content-neutral statute that "will be sustained under the First Amendment if it advances important governmental interests unrelated to the suppression of free speech and does not burden substantially more speech than necessary to further those interests." *Turner Broad. Sys., Inc.* v. *FCC,* 520 U.S. 180, 189 (1997).

The U.S. government actively sought the TRIPS Agreement because it perceived that TRIPS would provide significant advantages for the United States.[12] International piracy was undermining key U.S. industries that relied on intellectual property; the rapid advance of digital technology threatened to exacerbate this problem in an increasingly global market; and the lack of an effective enforcement mechanism for existing treaties "greatly hampered"

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contours of copyright are fully preserved even with the passage of Section 514, and the incentive to create new material is advanced by restoring copyright protection to those works that have lost protection for reasons such as failure to comply with formalities or national ineligibility.

[12] Trade-Related Aspects of Intellectual Property Rights ("TRIPS"), April 15, 1994, 33 I.L.M. 1199. The goal of the TRIPS Agreement was to incorporate protection for intellectual property within the framework of the principal international trade treaties, relying largely on standards of protection in existing intellectual property treaties.

their effectiveness. Ralph Oman, *Intellectual Property After the Uruguay Round*, 42 J. COPYRIGHT SOC'Y U.S.A. 18, 23-24 (1994). The agreement was a milestone in international intellectual property protection, providing multilateral protection for intellectual property under a framework that provided for minimum standards *and* a means of enforcement. Daniel Gervais, THE TRIPS AGREEMENT: DRAFTING HISTORY AND ANALYSIS § 1.01 (3d ed. 2008).

TRIPS, however, incorporates the standards of protection in the Berne Convention.[13] While the United States had joined the Berne Convention in 1989, it still had not restored copyrights in foreign works, even though the weight of authority indicated that Berne Article 18 required restoration. *See, e.g.*, Silke von Lewinski, INTERNATIONAL COPYRIGHT LAW AND POLICY 183-84 (2008); Sam Ricketson and Jane C. Ginsburg, INTERNATIONAL COPYRIGHT AND NEIGHBOURING RIGHTS: THE BERNE CONVENTION AND BEYOND § 6.117 (2d ed. 2006). The United States' position had been roundly criticized by our trading partners. *See, e.g.*, Olivia Regnier, *Who Framed Article 18? The Protection of pre-1989 Works in the USA Under the Berne Convention*, 15 EUR. INTELL. PROP. REV. 400 (1993).

Continued adherence to this position threatened to harm the interests of U.S. authors and

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[13] Berne Convention for the Protection of Literary and Artistic Works art. 18, *adopted on* Sept. 9, 1886, S. TREATY DOC. NO. 99-27 (1986), 1161 U.N.T.S. 3 (revised at Paris July 24, 1971).

copyright owners. At a time when digital technology was taking off and markets were becoming increasingly international, the U.S. government was negotiating new IP agreements, but countries with which the United States previously had no prior copyright relations wanted to protect only those U.S. works newly created after these agreements took effect, not existing works. *See, e.g., General Agreement on Tariffs and Trade (GATT): Intellectual Property Provisions: Joint Hearing on H.R. 4894 and S. 2368 Before the Subcomm. on Intellectual Property and Judicial Admin. of the H. Comm. on the Judiciary and the Subcomm. on Patents, Copyrights and Trademarks of the S. Comm. on the Judiciary*, 103d Cong., 2d. Sess. 120 (1994) (hereinafter *Joint Hearings on the URAA*) (statement of Bruce Lehman, Assistant Secretary of Commerce and Commissioner of Patents and Trademarks).

There was also concern that, with the ratification of TRIPS, U.S. compliance with the Berne Convention could be successfully challenged in the World Trade Organization. *Joint Hearings on the URAA* at 131 (statement of Ira Shapiro, General Counsel, Office of the United States Trade Representative) ("it is likely that other WTO members would challenge the current implementation of Berne [Article 18] if it is not enlarged."); Katherine S. Deters, *Retroactivity and Reliance Rights Under Article 18 of the Berne Copyright Convention*, 24 VAND. J. TRANSNAT'L L. 971, 996 (1991) (an international tribunal would

likely find U.S. in violation of its obligations under Berne Article 18).

Congress thus faced a landscape in which the considerations supporting copyright restoration had shifted dramatically. Recognizing that TRIPS would incorporate the Berne standards of protection and be enforceable through the WTO, Congress and the Administration had two interrelated goals: ensuring compliance with Berne Article 18, and thereby with TRIPS, and strengthening protection for U.S. copyright owners abroad. These are clearly legitimate governmental objectives, and Section 514 was narrowly tailored to meet them.

Section 514 also protects the interests of reliance parties by providing a significant but limited grace period.[14] The limitation on this grace

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[14] The legislative record indicates that Congress was concerned about copyright restoration and the provisions concerning reliance parties, and scrutinized them carefully. *See, e.g., Joint Hearings on the URAA* at 3 (statement of Chairman Hughes); *id.* at 81-82 (statement of Senator DeConcini). During the legislative process, those provisions were expanded, most notably to preserve the right of derivative works owners to continue to use the underlying works whose copyrights had been restored upon payment of reasonable compensation. *Compare* H.R. 4894, 103d Cong. 2d Sess. (1994) (proposed Section 104A(d)) *with* 17 U.S.C. § 104A(d). Legal scholars indicated that such a change would respond in a significant way to concerns they identified with the draft bills. *Joint Hearings on the URAA* at 209-10 (statement of Shira Perlmutter, Professor, Catholic University School of Law); *id.* at 186 (statement of Eugene Volokh, Acting Professor of Law, University of California at Los Angeles).

period is consistent with the opinions of experts in international law, who concluded that adhering countries may not, consistent with Berne Article 18, allow reliance parties to continue their activities with respect to restored works indefinitely without limitation. *E.g.*, Sam Ricketson and Jane C. Ginsburg, INTERNATIONAL COPYRIGHT AND NEIGHBOURING RIGHTS: THE BERNE CONVENTION AND BEYOND § 6.123 (2d ed. 2006) (the transitional provisions should be "of limited duration" and eventually the work must be "protected in relation to all persons"); Silke von Lewinski, INTERNATIONAL COPYRIGHT LAW AND POLICY § 5.248 at 184 (2008).

The term for which Section 514 protects reliance interests is well within the mainstream views of our trading partners of appropriate protection for reliance interests when copyrights are restored. *See* Report of Dr. Mihály Ficsor at ¶ 100, *Golan* v. *Gonzales*, No. 01-B-1854(BNB), 2005 U.S. Dist. LEXIS 6800 (D. Colo. 2005) (J.A. at 159-60). In some respects, provisions of Section 514 are more protective of reliance parties than the laws of many other countries; for example, it requires notice to reliance parties before restored copyrights can be enforced against them. 17 U.S.C. § 104A(d)(2). This requirement ensures that reliance parties will not be blindsided by right holders who unexpectedly come forward, and that users will continue to be able to use orphan works. Reliance parties have a year after notice to continue use of the works, *id.*, and they can continue throughout the term of the restored copyright to use any derivative works they

previously created (such as sound recordings based on restored musical compositions) under the terms of the statute. 17 U.S.C. § 104A(d)(3).

Congress's objective was to implement Berne and the TRIPS Agreement in a manner that would put U.S. compliance beyond question, so that the United States could obtain the benefits sought from the TRIPS agreement. There was a reasonable basis for Congress to believe that if the United States provided weak and grudging protection for reliance parties with respect to foreign works whose copyrights were restored, so too would other countries with respect to U.S. works, contrary to U.S. economic interests. *See, e.g., Joint Hearings on the URAA* at 136-7 (statement of Ira Shapiro, General Counsel, Office of the United States Trade Representative).

Whether or not in hindsight Congress could have complied with Berne Article 18 with a provision granting broader rights for reliance parties – and it is not at all clear that it could have done so – the United States was facing a new regime under which TRIPS compliance could potentially be assessed by an international tribunal, U.S. non-compliance with Article 18 had received international criticism, and Congress believed compliance with Article 18 by other countries was in the best interests of the United States. U.S. compliance with its international treaty obligations is of great importance. Congress's decision to comply by adopting a law that is squarely within accepted

norms for protection of reliance parties, after hearing from the Administration and from experts, was a quintessential legislative decision entitled to substantial deference.

CONCLUSION

For the foregoing reasons, *amicus curiae* American Bar Association requests that the judgment of the court of appeals should be affirmed, and that a deferential standard of review should be applied with respect to Petitioner's claims.

Respectfully submitted,

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AMICUS CURIAE BRIEF

RECORD AND BRIEFS

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IN THE

Supreme Court of the United States

LAWRENCE GOLAN ET AL.,

Petitioners,

v.

ERIC H. HOLDER, JR. ET AL.,

Respondents.

ON WRIT OF CERTIORARI TO THE
UNITED STATES COURT OF APPEALS FOR THE TENTH CIRCUIT

BRIEF OF *AMICUS CURIAE* AMERICAN INTELLECTUAL PROPERTY LAW ASSOCIATION IN SUPPORT OF RESPONDENTS

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TABLE OF CONTENTS

	Page
TABLE OF CONTENTS	i
TABLE OF CITED AUTHORITIES	iii
STATEMENT OF INTEREST	1
SUMMARY OF ARGUMENT	2
ARGUMENT	3
I. THE TENTH CIRCUIT CORRECTLY FOUND THAT SECTION 514 DOES NOT VIOLATE THE FIRST AMENDMENT	3
A. Copyright Law and the First Amendment Fully and Rationally Coexist	4
B. Section 514 Does Not Alter the Traditional Contours of Copyright Law	5
C. Section 514 Is Entirely Consistent with Other Congressional Enactments	8
D. Section 514 Addresses a Substantial Governmental Interest and Is Narrowly Tailored	10

Table of Contents

Page

II. CONGRESS HAS BROAD AUTHORITY TO PROMULGATE COPYRIGHT LAWS SUBJECT ONLY TO DEFERENTIAL REVIEW UNDER THE RATIONAL RELATIONSHIP TEST 12

A. Because the Constitution Expressly Allocates to Congress the Power to Make Laws Regarding Copyrights, Deferential Judicial Review Is Proper 12

B. There Is No "Public Interest" or "Progress" Test for Laws Promulgated Pursuant to the Copyright Clause 14

C. Section 514 Rationally Promotes "Progress" and the "Public Interest" 16

D. Petitioners' "Limited Times" Argument Is an Unduly Narrow Interpretation of the Copyright Clause and Is Without Merit 19

CONCLUSION 21

TABLE OF CITED AUTHORITIES

Page

CASES

American Geophysical Union v. Texaco Inc., 802 F. Supp. 1 (S.D.N.Y. 1992), *aff'd*, 60 F.3d 913 (2d Cir. 1994) 7

Bonito Boats, Inc. v. Thunder Craft Boats, Inc., 489 U.S. 142 (1989) 12, 14

Compco Corp. v. Day-Brite Lighting, Inc., 376 U.S. 234 (1964) 12

Eldred v. Ashcroft, 537 U.S. 186 (2003) ..... *passim*

Festo Corp. v. Shoketsu Kinzoku Kogyo Kabushiki Co., 535 U.S. 722 (2002) 19

Golan v. Holder, 609 F.3d 1076 (10th Cir. 2010) 17

Gonzales v. Raich, 545 U.S. 1 (2005) 13

Graham v. John Deere Co. of Kansas City, 383 U.S. 1 (1966) 15

Harper & Row Publishers, Inc. v. Nation Enterprises, 471 U.S. 539 (1985) ..... *passim*

Cited Authorities

	Page
Luck's Music Library, Inc. v. Gonzales, 407 F.3d 1262 (D.C. Cir. 2005)	20
Mazer v. Stein, 347 U.S. 201 (1954)	7
Microsoft Corp. v. i4i Ltd. Partnership, 564 U.S. __, 131 S. Ct. 2238 (2011)	19
Missouri v. Holland, 252 U.S. 416 (1920)	11
Sears, Roebuck & Co. v. Stiffel Co., 376 U.S. 225 (1964)	12
Sony Corp. of America v. Universal City Studios, Inc., 464 U.S. 417 (1984)	13, 14, 15, 17
Stewart v. Abend, 495 U.S. 207 (1990)	13, 14
Turner Broadcasting System, Inc. v. FCC, 512 U.S. 622 (1994)	11
Twentieth Century Music v. Aiken, 422 U.S. 151 (1975)	7-8
U.S. v. Comstock, 560 U.S. __, 130 S. Ct. 1949 (2010)	13

Cited Authorities

	Page
Universal City Studios v. Corley, 271 F.3d 429 (2d Cir. 2001)	11
Wheaton v. Peters, 33 U.S. (8 Pet.) 591 (1834)	12
White-Smith Music Publ'g Co. v. Apollo Co., 209 U.S. 1 (1908)	12
CONSTITUTIONAL PROVISIONS	
U.S. Const. art. I, § 8, cl. 8	*passim*
U.S. Const. amend. I	*passim*
STATUTES	
17 U.S.C. § 104A	*passim*
17 U.S.C. § 106	9
17 U.S.C. § 109(b)	9
17 U.S.C. § 111(d)	9
17 U.S.C. § 115	9
17 U.S.C. § 120	9
17 U.S.C. § 203	9, 10

Cited Authorities

	Page
17 U.S.C. § 304(c)-(d)	9, 10
Sup. Ct. R. 37.3(a)	1
Sup. Ct. R. 37.6	1
Act of Dec. 18, 1919, Pub. L. No. 66-10241, 41 Stat. 368	20
Act of Sept. 25, 1941, Pub. L. No. 77-258, 55 Stat. 732	20
Act of Dec. 15, 1971, Priv. L. No. 92-60, 85 Stat. 649	20
Act of Dec. 1, 1990, Pub. L. No. 101-650, 104 Stat. 5089	20
Act of Dec. 8, 1993, Pub. L. No. 103-182, 107 Stat. 2204	20
Copyright Act of 1790	2, 4, 8
Copyright Term Extension Act	10, 13, 16
Digital Performance Rights in Sound Recordings Act of 1995, Pub. L. No. 104-39, 109 Stat. 336	9
Uruguay Round Agreements Act, § 514	*passim*

Page

OTHER AUTHORITIES

Joint Hearings, 103d Cong., 2d Sess., 262 (1994) .. 17

S. Rep. No. 100-352 (May 19, 1988) 16-17

Stephen McJohn, *Eldred's Aftermath*, 10 MICH. TELECOMM. TECH. L REV. 93 (2003) 8

The Federalist No. 43 (C. Rossiter ed. 1961) 8

STATEMENT OF INTEREST[1]

The American Intellectual Property Law Association ("AIPLA") is a national association of approximately 16,000 members whose interests lie in copyright, patent, trademark, trade secret, and other areas of intellectual property law. The AIPLA's members include attorneys in private practice and attorneys employed by corporations, universities, and government, and represent both owners and users of intellectual property. Unlike many other areas of practice in which separate and distinct plaintiffs' and defendants' bars exist, most, if not all, intellectual property attorneys represent both intellectual property owners and alleged infringers. The AIPLA has no stake in the parties to this litigation or the result of this case, other than its interest in seeking the correct interpretation of the law affecting intellectual property.[2]

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[1] In accordance with Supreme Court Rule 37.6, *amicus curiae* states that this brief was not authored, in whole or in part, by counsel to a party, and that no monetary contribution to the preparation or submission of this brief was made by any person or entity other than the *amicus curiae* or its counsel. After reasonable investigation, AIPLA believes that (i) no member of its Board or Amicus Committee who voted to file this brief, or any attorney in the law firm or corporation of such a member, represents a party to this litigation in this matter, (ii) no representative of any party to this litigation participated in the authorship of this brief, and (iii) no one other than AIPLA, or its members who authored this brief and their law firms or employers, made a monetary contribution to the preparation or submission of this brief.

[2] In accordance with Supreme Court Rule 37.3(a), the parties to this litigation have consented to the filing of this brief by filing blanket consents with the Court.

SUMMARY OF ARGUMENT

Article I, section 8, clause 8 of the Constitution (the "Copyright Clause") grants to Congress the power to "promote the Progress of Science and useful Arts, by securing for limited Times to Authors and Inventors the exclusive Right to their respective Writings and Discoveries." Section 514 of the Uruguay Round Agreements Act ("URAA"), which accords copyright protection to various foreign works that were previously in the public domain in the United States so long as the term of protection for those works would not have otherwise already expired, is a proper exercise of this Article I power and does not violate the First Amendment.

Since the first Copyright Act of 1790, Congress has repeatedly extended and expanded copyright protection pursuant to its powers under the Copyright Clause. Copyright restoration under section 514 of the URAA is consistent with this history, is a valid exercise of Congress's power, and does not infringe the protections of the First Amendment. These First Amendment protections—namely, the fair use doctrine and the idea-expression dichotomy, which this Court has labeled as the "traditional contours" of copyright law—are left in place after the enactment of section 514, and the Court should thus conduct a deferential review of the statute. Even were the Court to apply a more rigorous review, the government has several substantial interests that justify enactment of section 514: compliance with international treaties, protection of the rights of U.S. copyright holders abroad, and protection of foreign holders of copyrights in the U.S.

Reversal of the decision below would also encroach on the powers accorded Congress under the Copyright

Clause. Regulation of copyright protection is a matter best suited for Congress, not the courts, and Congress—which is in the best position to weigh the advantages and disadvantages of any particular copyright statute—has exercised those powers to great collective effect. As the Court recognized in *Eldred v. Ashcroft*, 537 U.S. 186 (2003), since 1790, Congress has enacted many changes to the Copyright Act that have enhanced the rights of all holders of extant copyrights, and significant investments have been made based on these enactments. Reversal in this case would be destabilizing and injurious to intellectual property owners, to international agreements and Congress's efforts to comply with them, and to the U.S. economy.

ARGUMENT

I. THE TENTH CIRCUIT CORRECTLY FOUND THAT SECTION 514 DOES NOT VIOLATE THE FIRST AMENDMENT

The Tenth Circuit held in this case that Congress infringed no First Amendment rights in enacting the copyright restoration provisions of section 514 of the URAA, as codified at 17 U.S.C. § 104A. This decision was correct because copyright law and the First Amendment rationally coexist, and because section 514 does not alter the traditional contours of copyright law and is fully consistent with other congressional enactments. In addition, although only deferential review is necessary, section 514 does not offend the First Amendment even if intermediate scrutiny is applied because the statute addresses a substantial governmental interest and is narrowly tailored.

A. Copyright Law and the First Amendment Fully and Rationally Coexist

Copyright law has built-in mechanisms to protect the First Amendment, and where these mechanisms are left intact, the First Amendment is not burdened. The Court acknowledged this fundamental principle in Justice Ginsberg's opinion in *Eldred*, observing that where "Congress has not altered the traditional contours of copyright protection, further First Amendment scrutiny is unnecessary." 537 U.S. at 221. Those "traditional contours"—the doctrines of fair use and the idea/expression dichotomy—are the Copyright Act's built-in mechanisms to protect the First Amendment. They have consistently been found to provide ample respect for free speech, while allowing for Congress to act on its power "[t]o promote the Progress of Science and useful Arts, by securing for limited Times to Authors and Inventors the exclusive Right to their respective Writings and Discoveries." Art. I, Sec. 8, cl. 8.

Nor is an expansion of copyright protection incompatible with the First Amendment's goals. As this Court recognized in *Eldred*, "copyright's purpose is to *promote* the creation and publication of free expression." 537 U.S. at 219 (emphasis in original). Put another way, as the "'engine'" of free expression, copyright law provides incentives to authors to share their work with society. *Id.* (quoting *Harper & Row Publishers, Inc. v. Nation Enterprises*, 471 U.S. 539, 558 (1985)). The proximity of the enactment dates for the first Copyright Act (1790) and the First Amendment (1791) at least suggests that the Founding Fathers were aware of the interlocking relationship of these protections.

The fair use doctrine and the idea/expression dichotomy, in particular, ensure that copyright law does not conflict with the First Amendment. This Court has recognized the centrality of these doctrines, explaining that the idea/expression dichotomy, and, by extension, fair use, "strikes a definitional balance between the First Amendment and the Copyright Act." *Harper & Row*, 471 U.S. at 556 (internal quotation marks and citation omitted).[3]

B. Section 514 Does Not Alter the Traditional Contours of Copyright Law

Section 514 of the URAA granted, or "restored," copyright protection for some foreign works that had fallen into the public domain in the U.S., allowing these works protection under the Copyright Act to nearly the same extent as a work by a U.S. author who had complied with all formalities of the Copyright Act. Section 514, however, contains important limitations. First, copyright restoration is not available for any work that is in the public domain of its source country through the expiration of its term of protection. *See* 17 U.S.C. § 104A(h)(6)(B). In addition, restoration is not available for works whose U.S. copyright would have already expired, since the length of restored U.S. protection extends only until the end of the U.S. term had the work never entered the public domain in the U.S. *See id.* § 104A(a)(1)(B). Other limitations include:

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[3] The Court in *Harper & Row* concluded that the "balance" it articulated meant that abuse of the fair use doctrine—in that case, the bad-faith use of a stolen manuscript—would not be tolerated. Although the fair use defense failed in *Harper & Row*, the Court was careful to explain and affirm the doctrine's centrality to the concept of copyright law.

the requirement that if copyright owners wish to pursue enforcement against "reliance" parties, they must file a notice of intent to enforce their restored copyrights within 24 months of restoration or, alternatively, they must serve actual notice of such intent directly on reliance parties, *id.* §§ 104A(c), 104A(d)(2)(A)(i); and the right of reliance parties—that is, parties that have engaged in acts covered by section 106 of the Copyright Act prior to the restoration of the foreign work at issue—to continue to engage in those acts for 12 months following notice. *Id.* § 104A(d)(2)(A)(ii).

Even setting aside the foregoing significant limitations, section 514 leaves entirely untouched the protective doctrines of fair use and the idea/expression dichotomy. *Eldred* made two foundational observations: (i) absent alteration of the "traditional contours" of copyright law, no First Amendment scrutiny is necessary; and (ii) changing the scope of copyright protection does not alter these "traditional contours" because it leaves in place fair use and the idea/expression dichotomy. These observations show that the very purpose of protecting the "traditional contours" of copyright law is to safeguard First Amendment values. Section 514 does not violate this purpose. Surely if the fair use doctrine and the idea/expression dichotomy were unimpeded in *Eldred*, then they too are unimpeded here, where section 514 expands copyright protection in an even more limited fashion than the term extension at issue in *Eldred*.

A mere increase in copyright protection does not, *ipso facto*, alter the traditional contours of copyright law and thereby detract from First Amendment rights. The First Amendment is intended to protect the right to free speech, but it is not intended to make the copying

of someone else's speech free. This Court recognized as much in *Eldred*, stating that the First Amendment "bears less heavily when speakers assert the right to make other people's speeches." 537 U.S. at 221. The Court followed that observation with the further statement that "copyright's built-in free speech safeguards" generally are adequate to address First Amendment concerns. *Id.* Here, section 514's removal of certain works from the public domain does not subject the statute to constitutional invalidation. Contrary to the assertion by the Petitioners, Courts generally do not consider the public domain to be essential for the "creation of knowledge and its spread." Brief for the Petitioners ("Pr. Brief") 24. Rather, the opposite proposition is correct: it is copyright protection that is largely responsible for the "creation of knowledge and its spread." *Id.*

The judiciary has acknowledged repeatedly the strong relationship between reward and the "Progress of Science." The economic philosophy behind copyright law "is the conviction that encouragement of individual effort by personal gain is the best way to advance public welfare through the talents of authors and inventors." *Mazer v. Stein*, 347 U.S. 201, 219 (1954). Quoting a district court opinion, the Court in *Eldred* noted that copyright law celebrates the profit motive by recognizing that the profit incentive underlying copyright protection "'will redound to the public benefit by resulting in the proliferation of knowledge.'" *Eldred*, 537 U.S. at 212 n.18 (quoting *American Geophysical Union v. Texaco Inc.*, 802 F. Supp. 1, 27 (S.D.N.Y. 1992), *aff'd*, 60 F.3d 913 (2d Cir. 1994)); *see also Harper & Row*, 471 U.S. at 558 ("the Framers intended copyright itself to be the engine of free expression"); *Twentieth Century Music v. Aiken*,

422 U.S. 151, 156 (1975) (stating that the immediate effect of copyright law is a fair return for the author, but "the ultimate aim is, by this incentive, to stimulate artistic creativity for the general public good.").

Accordingly, "as James Madison observed, in copyright, '[t]he public good fully coincides ... with the claims of individuals.'" *Eldred*, 537 U.S. at 212 n.18 (quoting The Federalist No. 43, p. 272 (C. Rossiter ed. 1961)). Petitioners thus miss the mark in arguing that more copyright protection—including protection for works which, in fairness, should have been protected from the beginning—will "inhibit[] the spread of existing works, reduce[] the universe of material available to the public for further creation, [or] threaten[] to destroy the incentive to use even those works that remain unprotected." Pr. Brief 24. Instead, stronger copyright protection can and will "suppl[y] the economic incentive to create and disseminate ideas." *Harper & Row*, 471 U.S. at 558.

C. Section 514 Is Entirely Consistent with Other Congressional Enactments

Consistent with the recognition that copyright protection fosters creativity, Congress has expanded such protection in numerous ways, including ways that, under Petitioners' theory, would limit the use of expressive content. In fact, the boundaries of copyright law—both as to the subject matter of works entitled to protection and the length of that protection—have changed extensively since the first Copyright Act of 1790, with no Constitutional conflicts. *See* Stephen McJohn, *Eldred's Aftermath*, 10 MICH. TELECOMM. TECH. L REV. 93, 118 (2003). All of these enactments undercut Petitioners'

claim that section 514 amounts to an unprecedented shift of copyright protection to the detriment of users and the public. *See* Pr. Brief 43-44.

As Petitioners' brief explains in detail, the "scope and duration" of copyright have been expanded some 19 times since 1790. Pr. Brief 34-36. From 14 years of protection for published maps, charts and books in 1790, through today's protection for the life of the author plus 70 years for an even greater variety of works, published or not, the law has taken many steps forward to broaden copyright protection. *Eldred*, 537 U.S. at 193-94. In addition, Congress granted a new right altogether with the enactment of the Digital Performance Rights in Sound Recordings Act of 1995, Pub. L. No. 104-39, 109 Stat. 336 ("DPRA"). That act gave sound recording copyright owners the exclusive right to prevent others from publicly performing their works without authorization or compensation. The right was given not only to creators of new sound recordings, but also to copyright owners for sound recordings created before the effective date of the DPRA. 17 U.S.C. § 106. Congress also has extended the Copyright Act through grants of rights in architectural works, increases in the compulsory license fees for existing works, and limits on the first sale doctrine for computer software and sound recordings. 17 U.S.C. § 120 (1990); *id.* §§ 111(d), 115 (1976); *id.* § 109(b) (1976).

The Copyright Act contains other mechanisms which, under Petitioners' theory, also would raise Constitutional questions. For example, sections 203 and 304 expressly provide for parties who previously granted their copyrights to others to "terminate" those grants, thereby preventing those others from further exercising

the rights and reverting the rights to the transferor. 17 U.S.C. §§ 203, 304(c)-(d). Moreover, section 304(d), which was enacted as part of the Copyright Term Extension Act ("CTEA"), created an entirely new termination right for transferors whose previous termination right had expired. *Id.* § 304(d).[4]

In sum, far from showing what Petitioners call a "two-hundred-year tradition dating back to 1790," Pr. Brief 39, of expanding only the duration and scope of copyright, history in fact shows a wide array of Congress's exercises of its power under the Copyright Clause, none of which have been deemed to violate the First Amendment. Section 514 is no different. Because section 514 leaves in place the "traditional contours" of copyright, the statute should not be subject to further scrutiny.

D. Section 514 Addresses a Substantial Governmental Interest and Is Narrowly Tailored

Even were section 514 subject to stricter review here, it still plainly should be upheld. For a law to pass intermediate scrutiny, it must: (i) be a content-neutral restriction of free speech; (ii) serve a substantial government interest that is unrelated to the suppression

[4] These termination provisions also undermine Petitioners' suggestion that section 514 is advantaging the "heirs of foreign authors" at the expense of the United States public. Pr. Brief 30. The Copyright Act already recognizes that heirs often have the same rights as the authors from whom they descended; the termination provisions in fact give heirs many of the same termination rights that the authors themselves would have had. 17 U.S.C. §§ 203, 304(c)-(d).

of free speech; and (iii) not burden more speech than necessary to further that government interest. *Universal City Studios v. Corley*, 271 F.3d 429, 454 (2d Cir. 2001); *Turner Broadcasting System, Inc. v. FCC*, 512 U.S. 622, 662 (1994). Section 514 handily meets these requirements.

Section 514 serves at least three principal interests: compliance with international agreements under the treaty power of Congress; ensuring legal protection for U.S. copyright holders abroad; and remedying past harm to foreign copyright holders. Of particular note, the U.S. has a strong interest in harmonizing U.S. law with international schemes of copyright protection, and long-standing precedent allows Congress to legislate where a "national interest of very nearly the first magnitude is involved. It can be protected only by national action in concert with that of another power." *Missouri v. Holland*, 252 U.S. 416, 435 (1920). Bringing U.S. law on this issue into compliance with international standards is surely an important government interest. Copyright itself is enshrined in the Constitution, and measures to ensure its ongoing viability cannot be seen as a frivolous act by Congress.

Moreover, section 514 specifically limits its burden on speech. It not only requires, among other things, notice of at least one year to reliance parties, as discussed above, but it also expressly provides for licensing of works with restored copyrights, if a derivative work depends on such works. *See* 17 U.S.C. § 104A(d)(2)-(3). In addition, as also discussed above, the provision leaves untouched the fair use doctrine and the idea/expression dichotomy. Section 514 thus does not burden substantially more speech than is necessary to further the significant purposes of

the provision. Quite the opposite is the case: there are important limitations on the restoration right expressly embodied in section 514.

II. CONGRESS HAS BROAD AUTHORITY TO PROMULGATE COPYRIGHT LAWS SUBJECT ONLY TO DEFERENTIAL REVIEW UNDER THE RATIONAL RELATIONSHIP TEST

A. Because the Constitution Expressly Allocates to Congress the Power to Make Laws Regarding Copyrights, Deferential Judicial Review Is Proper

Copyright is a creature of statute, as authorized by the Copyright Clause, and the protection granted is limited to that which Congress has determined to be appropriate. *Wheaton v. Peters*, 33 U.S. (8 Pet.) 591, 663 (1834) (copyright "does not exist at common law—it originated, if at all, under the acts of congress"); *White-Smith Music Publ'g Co. v. Apollo Co.*, 209 U.S. 1, 15 (1908) ("[I]t is perfectly well settled that the protection given to copyrights in this country is wholly statutory."). Congress has the ultimate and sole authority to legislate regarding patents and copyrights. *Bonito Boats, Inc. v. Thunder Craft Boats, Inc.*, 489 U.S. 142, 168 (1989); *Sears, Roebuck & Co. v. Stiffel Co.*, 376 U.S. 225, 229 (1964); *Compco Corp. v. Day-Brite Lighting, Inc.*, 376 U.S. 234, 237 (1964).

Accordingly, legislation authorized pursuant to the Copyright Clause need only be rational: "[r]ather than subjecting Congress' legislative choices in the copyright area to heightened judicial scrutiny, we have stressed that 'it is not our role to alter the delicate balance Congress has

labored to achieve'.... Congress' exercise of its Copyright Clause authority must be rational." *Eldred*, 537 U.S at 205 n.10 (quoting *Stewart v. Abend*, 495 U.S. 207, 230 (1990)). Thus, in *Eldred*, the Court rejected the argument that the CTEA failed constitutional review under the Copyright Clause, because the CTEA was a "rational enactment"; the Court held that it is "not at liberty to second-guess congressional determinations and policy judgments of this order, however debatable or arguably unwise they may be." *Id.* at 208; *see also Sony Corp. of America v. Universal City Studios, Inc.*, 464 U.S. 417, 429 (1984) ("[I] t is Congress that has been assigned the task of defining the scope of the limited monopoly that should be granted to authors ... in order to give the public appropriate access to their work product.").

The level of review afforded legislation under the Copyright Clause should be no more intrusive than that applied to legislation authorized under other Article I, section 8 clauses. *See U.S. v. Comstock*, 560 U.S. __, 130 S. Ct. 1949, 1956 (2010) (holding that Necessary and Proper Clause grants Congress legislative authority to enact a particular federal statute where the statute "constitutes a means that is rationally related to the implementation of a constitutionally enumerated power"); *Gonzales v. Raich*, 545 U.S. 1, 22 (2005) (holding that because "Congress had a rational basis" for concluding that a statute implements Commerce Clause power, the statute falls within the scope of congressional "authority to 'make all Laws which shall be necessary and proper' to 'regulate Commerce ... among the several States'") (ellipsis in original).

Petitioners' purported limitation on Congress's authority under the Copyright Clause—that Congress

can only exercise its power to promote the judiciary's determination of "progress" and "public interest"—is inconsistent with Supreme Court precedent holding that congressional action should not be invalidated as long as it has a rational relationship to the implementation of a constitutionally enumerated power. Here, as in *Eldred*, the legislative enactment at issue bears a rational relationship to the promotion of science and the useful arts, and Petitioners' attempt to impose a heightened "progress" or "public interest" test is misplaced.

B. There Is No "Public Interest" or "Progress" Test for Laws Promulgated Pursuant to the Copyright Clause

This Court has held that copyright supplies the economic incentive to "create and disseminate ideas" for the benefit of the public. *Harper & Row*, 471 U.S. at 558; *Eldred*, 537 U.S. at 219. Accomplishing the goal of promoting public access to creative works requires balancing "the interests of authors and inventors in the control and exploitation of their writings and discoveries on the one hand, and society's competing interest in the free flow of ideas, information, and commerce on the other hand." *Sony*, 464 U.S. at 429; *see also Stewart*, 495 U.S. at 230 (referring to "the delicate balance Congress has labored to achieve"). Any application of copyright law necessarily must reflect this balance. *See Bonito Boats*, 489 U.S. at 146 (the Copyright Clause "reflects a balance between the need to encourage innovation and the avoidance of monopolies which stifle competition without any concomitant advance in the 'Progress of Science and useful Arts'"). The Court has never held, however, that copyright legislation is unconstitutional on the ground that

copyright is "not primarily designed to provide a special private benefit." *Sony*, 464 U.S. at 429. It should not do so here—especially because such a determination could lead to the result that the Court would independently, and improperly, second-guess Congress on every enacted intellectual property law.

Petitioners analogize to the holding in *Graham v. John Deere Co. of Kansas City*, 383 U.S. 1 (1966), that Congress may not authorize the issuance of patents which would remove existent knowledge from the public domain. *Graham* is distinguishable because it addressed an invention's very eligibility for protection under the patent law's unique "nonobviousness" requirement. The Court itself specifically omitted any discussion of copyright as "not relevant" to the case at hand. *Id.* at 5 n.1. That observation alone shuts the door on Petitioners' analogy. Even if it did not, the Court in *Eldred* addressed *Graham* and held that it is for Congress, not the courts, to decide how best to pursue the Copyright Clause's objectives. *Eldred*, 537 U.S. at 212. Moreover, the Court in *Graham* expressly recognized Congress's authority to execute its powers within its constitutional grant: "Within the limits of the constitutional grant, the Congress may, of course, implement the stated purpose of the Framers by selecting the policy which in its judgment best effectuates the constitutional aim." 383 U.S. at 6.

Eldred properly applied the rational review standard to acts of Congress rooted in the Copyright Clause and held that laws promoting conformance with the Berne Convention and ensuring that American authors receive reciprocal copyright protections in foreign countries, as section 514 does, were not unconstitutional. Under

Petitioners' test, *Eldred* would have been decided differently, and nearly all intellectual property rights—which reflect the balance between the incentive to create and support an extensive industry that relies on copyright protections such as those in section 514, and public access to works—would be subject to judicial "second-guess[ing]." *Eldred*, 537 U.S. at 205, 208. That is not what the Court in *Eldred* did. It instead deferred to Congress's policy judgments and to its conclusion that the CTEA served the "public purpose" embodied in the preamble to the Copyright Clause.

C. Section 514 Rationally Promotes "Progress" and the "Public Interest"

In *Eldred*, the Supreme Court upheld the CTEA in part because a longer term for copyright protection could "provide greater incentive for ... authors to create and disseminate their work." 537 U.S. at 206. The Court further held that Congress "rationally credited projections that longer terms would encourage copyright holders to invest in the restoration and public distribution of their works." *Id.* at 206-07; *see also id.* at 244 (Breyer, J., dissenting) ("The Copyright Clause and the First Amendment seek related objectives—the creation and dissemination of information."). For several reasons, section 514 likewise bears a rational relationship to the "promot[ion of] Progress of Science and useful Arts." Art. I, Sec. 8, cl. 8.

Among other things, Congress rationally decided that section 514 would promote progress by reducing the impact of copyright piracy on the United States' world trade position. S. Rep. No. 100-352, at 2 (May 19,

1988). In addition, as the Tenth Circuit found, there is substantial evidence that section 514 will cause foreign countries to provide reciprocal copyright protections, and that it is "critical to the United States' ability to obtain similar protections for American copyright holders." *Golan v. Holder*, 609 F.3d 1076, 1088 (10th Cir. 2010). Congress has endeavored for decades to enhance the success and productivity of American creators of copyrighted intellectual property through adherence to the Berne Convention and other efforts to obtain strong intellectual property protection for U.S. works abroad. Ensuring that U.S. authors are successfully able to obtain reciprocal foreign copyright protection protects U.S. jobs, contributes to the U.S. economy, and supports U.S. intellectual property as one of the nation's key exports. Thus, section 514 represents a rational congressional effort to adapt U.S. copyright law as necessary to ensure that an increasing number of Americans are engaged in the "creative activity" of authorship. *Sony*, 464 U.S. at 429.

Congress also reasonably concluded that by refusing to restore copyrights in foreign works in the public domain, the U.S. was not in compliance with its Berne Convention obligations. *See Joint Hearings*, 103d Cong., 2d Sess., 262 (1994), statement of Ira Shapiro, General Counsel, Office of the U.S. Trade Representative ("It is likely that other [WTO] members would challenge the current U.S. implementation of Berne Article 18...."). This Court likewise recognized in *Eldred* that Congress had the right to decide that U.S. copyright laws should match European standards; such conformity entitles American creators to protections in Europe and helps "avoid competitive disadvantages." 537 U.S. at 206. Section 514 extends this line of thinking by allowing foreign authors

) receive the benefits of U.S. copyright protection in xchange for protection of U.S. works abroad.

Congress further reasonably concluded that estoration of foreign copyrights would create an incentive) digitally preserve valuable works. Preservation of aluable foreign works plainly promotes progress, and opyright restoration creates an incentive to do so by ıcreasing the amount of time available for an investor) recover its investment and profit from the work. dditionally, restoring copyright protection to foreign orks encourages the pursuit of opportunities to further evelop, disseminate, and exploit existing works, because ıany of these opportunities require investment to be ealized. For example, because the size of a required ıvestment necessary to develop a preexisting work into a ıotion picture may be enormous, filmmakers may prefer) license exclusive rights in a protected work rather than sing a public domain work, because it reduces the risk ıat another filmmaker would dilute interest in the motion icture by creating a similar movie. In this way, restoring ıe copyright to existing foreign works promotes progress y motivating creative activity and is thus a constitutional xercise of legislative power.

Subjecting Congress's patent and copyright policy ecisions to the scrutiny Petitioners suggest would in ıct burden, rather than promote, progress "of Science ıd useful Arts" by encouraging attacks in the courts on ıtellectual property laws as against the "public interest," ecause they may adversely affect one or another interest roup. Specifically, overturning section 514 could call ıto question not only the authority of Congress to estore copyrights, but also its authority to modify other

potentially unpopular intellectual property laws. Such an outcome would be broadly detrimental. Indeed, owners and licensees of copyrights and other intellectual property rely on Congress's policymaking ability in pursuing their commercial objectives. In striking down section 514, this Court could cast doubt on that very ability, thereby undermining the expectations of intellectual property owners and licensees currently exploiting their rights in tens of thousands of transactions involving billions of dollars. *Cf. Festo Corp. v. Shoketsu Kinzoku Kogyo Kabushiki Co.*, 535 U.S. 722, 739 (2002) ("[C]ourts must be cautious before adopting changes that disrupt the settled expectations of the inventing community."); *Microsoft Corp. v. i4i Ltd. Partnership*, 564 U.S. __, 131 S.Ct. 2238, 2252 (2011) (declining to lower standard of proof for patent invalidity defense where Congress had specified applicable standard of proof; observing that "[a]ny re-calibration of the standard of proof remains in [Congress's] hands").

D. Petitioners' "Limited Times" Argument Is an Unduly Narrow Interpretation of the Copyright Clause and Is Without Merit

Petitioners argue that the "limited Times" restriction of the Copyright Clause allows extension but not restoration of copyright protection because an extension of copyright protection still has a "definite outer boundary." Pr. Brief 22. This "limited Times" argument is premised on an unduly narrow interpretation of the Copyright Clause and is inconsistent with Congress's historical practice of granting copyright extensions for existing works. By restricting copyright terms to "limited Times," the Copyright Clause simply prohibits Congress from granting authors a copyright for an unlimited time

period. Section 514 does not violate the "limited Times" provision because the protection accorded by section 514 is clearly limited and definite in length—the foreign works receive the same protection, expiring on the same day, that such works would have received had they originally been eligible for copyright protection under U.S. law. The limited copyright terms of section 514 thus fall precisely within Congress's authority to grant copyrights for "limited Times."

Petitioners' argument that legislation for "restoration" of copyright is "novel" is simply incorrect. *See Luck's Music Library, Inc. v. Gonzales*, 407 F.3d 1262, 1265 (D.C. Cir. 2005) (tracing various historical provisions for the restoration of copyright for foreign works).[5] Even

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[5] Various other precedents for retroactive copyright protections include, among others: Act of Dec. 18, 1919, Pub. L. No. 66-10241, 41 Stat. 368 (authorizing restoration of copyrights to foreign authors whose works fell into public domain because World War I prevented them from complying with formalities); Act of Sept. 25, 1941, Pub. L. No. 77-258, 55 Stat. 732 (authorizing restoration of copyrights in foreign works whose authors could not comply with formalities because of World War II); Act of Dec. 15, 1971, Priv. L. No. 92-60, 85 Stat. 649 (private law restoring copyright in certain works of Mary Baker Eddy); Act of Dec. 1, 1990, Pub. L. No. 101-650, 104 Stat. 5089 (extending protection to preexisting works of architecture, not constructed before date of enactment, but embodied in unpublished plans as of that date); *id.* (granting moral rights to preexisting works of visual art as to individual copies whose title had not been transferred); Act of Dec. 8, 1993, Pub. L. No. 103-182, 107 Stat. 2204 (implementing North American Free Trade Agreement and providing retroactive protection for Mexican and Canadian motion pictures which had fallen into public domain for failure to comply with copyright notice requirements).

if restoration were indeed a "novel" policy enacted by Congress, Petitioners have not shown why a departure from historical practice would suggest that the copyrights restored pursuant to section 514 should be considered outside the bounds of "limited Times." Indeed, they are not, instead remaining subject to the copyright terms that Congress has already enacted.

CONCLUSION

For the foregoing reasons, this Court should affirm the decision of the Tenth Circuit, hold that Congress's enactment of section 514 is a valid exercise of its powers under the Copyright Clause, and reject Petitioners' argument that section 514 violates the First Amendment.

Respectfully submitted,

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AMICUS CURIAE BRIEF

No. 10-545

IN THE

Supreme Court of the United States

LAWRENCE GOLAN, et al.,

Petitioners,

v.

ERIC H. HOLDER, JR., et al.,

Respondents.

ON WRIT OF CERTIORARI TO THE
UNITED STATES COURT OF APPEALS FOR THE TENTH CIRCUIT

BRIEF *AMICI CURIAE* OF AMERICAN LIBRARY ASSOCIATION, ASSOCIATION OF COLLEGE AND RESEARCH LIBRARIES, ASSOCIATION OF RESEARCH LIBRARIES, UNIVERSITY OF MICHIGAN DEAN OF LIBRARIES, INTERNET ARCHIVE AND WIKIMEDIA FOUNDATION IN SUPPORT OF PETITIONERS

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TABLE OF CONTENTS

	Page
TABLE OF CONTENTS	i
TABLE OF CITED AUTHORITIES	iii
INTERESTS OF AMICI CURIAE	1
SUMMARY OF ARGUMENT	5
ARGUMENT	6
I. The Modern Efforts of Libraries and Digital Repositories to Provide Public Domain Materials to the Public at Large	6
A. The Historical Importance of Libraries in Facilitating Access to Knowledge	6
B. The Modern Role of Libraries and Digital Repositories in Facilitating Access to Knowledge	7
C. Case Studies	9
1. The Internet Archive	9
2. The Wikimedia Foundation	12
3. The HathiTrust Digital Library	14

Table of Contents

	Page
II. By Destabilizing the Public Domain, Section 514 Impedes Access to Knowledge	16
A. Loss of Public Domain Works	16
B. Uncertainty Impedes Accessibility	17
1. Section 514 Dilutes Scarce Resources	17
2. Section 514 Creates New Orphan Works, Exacerbating a Problem that Already Plagues Libraries and Digital Repositories	19
3. Section 514 Discourages Productive Third-Party Uses	23
III. Copyright Legislation Should Protect the Public Interest	23
A. The Progress Clause Limits Congress's Ability to Shrink the Public Domain	24
B. The First Amendment Limits Congress's Ability to Shrink the Public Domain	26
CONCLUSION	30

TABLE OF CITED AUTHORITIES

Page

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(June 28, 2010) 29

Bonito Boats, Inc. v. Thunder Craft Boats, Inc.,
489 U.S. 141 (1989) 25, 26, 28

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376 U.S. 234 (1964) 29

Dastar Corp. v. Twentieth Century Fox Film Corp.,
539 U.S. 23 (2003) 28

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537 U.S. 186 (2003) 26, 27, 28

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Page

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464 U.S. 417 (1984) 24, 25, 26

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Sup. Ct. R. 37 1

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Page

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Page

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Kevin Cooper, for example, published a book in 2005 of children's songs called *Snakes, Snails, and C Major Scales* (2005) 23

INTERESTS OF AMICI CURIAE[1]

This brief amicus curiae in support of Petitioners is submitted pursuant to Rule 37 of this Court. Amici curiae are cultural institutions and non-profit educational resources, old and new, that seek to serve the global community by collecting and sharing public domain works, including traditional and online libraries, digital encyclopedias, and, more generally, digital repositories (collectively, "libraries and digital repositories"). Thanks to the Internet and other new technologies, Amici are able to preserve and share a vast wealth of information, allowing a virtually unlimited number of patrons worldwide access to digitized books, photographs, music, and other works. However, new and unexpected legal barriers threaten to inhibit their work.

The Association of Research Libraries (ARL) is a nonprofit organization of 126 research libraries in North America, including university, public, governmental, and national libraries. The American Library Association (ALA) is a nonprofit professional organization of more than 67,000 librarians, library trustees, and other friends of libraries dedicated to providing and improving library services and promoting the public interest in a free and open information society. The Association of College and Research Libraries (ACRL), the largest division of

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1. No counsel for a party authored this brief in whole or in part, and no person or entity other than amicus curiae, or its counsel, made a monetary contribution to the preparation or submission of this brief. Petitioners' blanket consent and respondents' blanket consent were filed with the Court on May 19, 2011 and April 20, 2011, respectively. Web sites cited in this brief were last visited on June 15, 2011.

the ALA, is a professional association of academic and research librarians and other interested individuals. Collectively, these three library associations represent over 139,000 libraries in the United States, institutions that are increasingly being called upon to serve the needs of their patrons in the digital age. As a result, the associations share a strong interest in the balanced application of copyright law to new digital dissemination technologies.

The Internet Archive is a public non-profit organization that was founded to build an "Internet library," with the purpose of offering permanent access for researchers, historians, scholars, and artists to historical collections in digital format. The Internet Archive receives data donations and digitizes material, much of which is in the public domain, from a multitude of sources, including libraries, educational institutions, and private companies. The Internet Archive then provides free access to its data—which includes text, audio, moving images, software, and archived web pages—to researchers, historians, scholars, and the general public. In order to collect and share this data freely, the Internet Archive and its volunteers necessarily rely on determinations as to what information resides in the public domain.

The Wikimedia Foundation is a non-profit organization that seeks to empower a worldwide volunteer community to collect and develop educational content under a free license or in the public domain, and to disseminate it effectively and globally at no cost. With approximately 400 million people every month and millions of page requests per hour, the Foundation's projects constitute the fifth most visited website on the Internet. One well-known

project is Wikipedia (www.wikipedia.org), the world's largest and most popular encyclopedia, which contains more than 18 million articles in over 280 languages. In pursuit of its mission to create "a world in which every single human being can share freely in the sum of all human knowledge,"[2] the Wikimedia Foundation and its volunteers support other projects, including: Wikimedia Commons, an educational media repository containing more than 10,000,000 freely usable images, videos, and sound files; Wikisource, an online library of free content publications; and Wikibooks, a collection of open-content textbooks.[3]

The University of Michigan Library in Ann Arbor is one of the largest university library systems in the United States. In locations all over the Ann Arbor campus, MLibrary holds more than 8.5 million volumes. Each year, it adds the equivalent of 2.5 miles of new material to one of the finest and most comprehensive collections of any academic library in the world. It also leads a coalition of nearly 30 libraries in the creation of a rapidly growing digital collection that currently exceeds 6 million volumes, the HathiTrust Digital Library. MLibrary's mission is to support, enhance, and collaborate in the instructional, research, and service activities of the faculty, students,

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2. *See Home*, Wikimedia Foundation, http://wikimediafoundation.org/wiki/Home.

3. *See FAQ*, Wikimedia Foundation, http://wikimediafoundation.org/wiki/Frequently_Asked_Questions. Although sometimes confused with each other, Wikimedia has no affiliation with the organization named WikiLeaks. *See* http://en.wikipedia.org/wiki/Wikipedia:WikiLeaks_is_not_part_of_Wikipedia.

and staff, and contribute to the common good by collecting, organizing, preserving, communicating, and sharing the record of human knowledge. This mission is accomplished through the provision of the various collections and programs available to patrons of the library system. In 2008, the University of Michigan Library was awarded a National Leadership Grant from the Institute of Museum and Library Services to create a Copyright Review Management System (CRMS). The purpose of the project is to increase the reliability of copyright status determinations of books published in the United States from 1923 to 1963 in the HathiTrust Digital Library, and to help create a point of collaboration with other institutions.

Amici share a concern that the effects of Section 514 of the Uruguay Round Agreements Act, 17 U.S.C. § 104A—both the provision itself and the dangerous approach to the public domain that it represents—pose a significant threat to the ability of libraries and digital repositories to promote access to knowledge. This threat is particularly dangerous now, when the advent of new technologies is making it more possible to share more public domain works with more people, in more ways, than ever before. Indeed, the vast majority of those affected by Section 514 are neither copyright holders nor reliance parties, but rather members of the general public who regularly rely on (or would benefit from access to) public domain works that are, or could be, made available online for information, educational, and creative purposes. In serving these individuals, libraries and digital repositories necessarily rely on a robust and stable public domain that allows them to confidently determine their rights to provide access to a given work. Section 514 has undermined that confidence

by upending a basic tenet of copyright law: once a work enters the public domain, it stays in the public domain.

SUMMARY OF ARGUMENT

The public domain is our cultural commons, made up of more than just works that have "fallen" into disuse, but also "the raw material from which we make new inventions and create new cultural works." James Boyle, *The Public Domain: Enclosing the Commons of the Mind* 39 (2008). As such, it is an integral part of the copyright bargain, a vehicle through which copyright's limited monopoly ultimately serves its purpose: to promote the progress of science and the useful arts.

Thus, this case raises an issue of extraordinary importance: whether the Constitution permits Congress to shrink the public domain and thereby refigure the copyright balance. Section 514 grants copyright protection to certain foreign works that have already been dedicated to the public domain. Those foreign works include those whose terms have not expired in their source countries and have ended up in the public domain because of: (1) noncompliance with U.S. copyright law; (2) lack of subject matter protection for sound recordings fixed before February 15, 1972; or (3) lack of national eligibility. 17 U.S.C. § 104A(h)(6) (2006). This encompasses wide swathes of our cultural building blocks, including, for example, all Russian works published before 1973, including works by Vladimir Nabokov, Maxim Gorky, Alexander Solzhenitsyn, and Sergei Prokofiev, paintings by Pablo Picasso, drawings by M.C. Escher, and writings by such authors as George Orwell, J.R.R. Tolkien, and Virginia Woolf. All of these works—and thousands, if

not millions more—were reliably in the public domain before passage of Section 514. By placing them back under copyright protection (and by signaling a willingness to do so with more works in the future), Congress thwarted the settled expectations of thousands of users of those works and collectors of public domain works, including the libraries and digital repositories that could be preserving those works and using new technologies to make them more accessible.

Librarians, archivists, and those who run digital repositories share Congress's concern that U.S. authors receive fair compensation for their work. Amici respectfully submit, however, that reversing a core default principle of copyright law—that a work in the public domain stays in the public domain—impermissibly puts potential benefit to some authors ahead of the public interest.

ARGUMENT

I. The Modern Efforts of Libraries and Digital Repositories to Provide Public Domain Materials to the Public at Large

A. The Historical Importance of Libraries in Facilitating Access to Knowledge

Libraries have long been specially positioned to facilitate access to the public domain, because, as this Court has recognized, they are institutionally committed to fostering a "regime of voluntary inquiry" that gives users wide and virtually unfettered access to speech and information. *Bd. of Educ., Island Trees Union Free Sch.*

Dist. No. 26 v. Pico, 457 U.S. 853, 869 (1982). In playing this role, they fulfill a vision by Thomas Jefferson that "nothing would do more extensive good at small expense than the establishment of a small circulating library in every county, to consist of a few well-chosen books, to be lent to the people of the county under regulations that would secure their safe return in due time." Letter from Thomas Jefferson to John Wyche (May 19, 1809), *in Thomas Jefferson: A Chronology of His Thoughts* 223 (Jerry Holmes ed., 2002). By making the cultural commons accessible to the public, libraries have become, as President Franklin Roosevelt declared in 1941, "the great tools of scholarship, the great repositories of culture, the great symbols of freedom of the mind" and, as such, "essential to the functioning of a democratic society." Patti Clayton Becker, *Books and Libraries in American Society During World War II: Weapons in the War of Ideas* 49 (2005); *see also* Byron Anderson, *Public Libraries, in St. James Encyclopedia of Popular Culture*, 133 (Tom Pendergast & Sara Pendergast eds., 2000) ("U.S. libraries arose out of the democratic beliefs in an informed public, enlightened civic discourse, social and intellectual advancement, and participation in the democratic process.")

B. The Modern Role of Libraries and Digital Repositories in Facilitating Access to Knowledge

The importance of a robust and stable public domain to further a "regime of voluntary inquiry" becomes ever more clear in light of efforts by libraries and digital repositories to use digital technologies to promote access and re-use of the cultural commons. The Internet "provides relatively

unlimited, low-cost capacity for communication of all kinds." *Reno v. American Civil Liberties Union*, 521 U.S. 844, 870 (1997). More specifically:

> This dynamic, multifaceted category of communication includes not only traditional print and news services, but also audio, video, and still images, as well as interactive, real-time dialogue. Through the use of chat rooms, any person with a phone line can become a town crier with a voice that resonates farther than it could from any soapbox. Through the use of Web pages, mail exploders, and newsgroups, the same individual can become a pamphleteer.

Id. Simply put, the proliferation of modern technologies is making the promise of the First Amendment—the right to speak and the right to receive speech—a reality on an unprecedented scale.

Libraries and digital repositories excel at providing access to cultural materials that have often been difficult to locate and maintain, including, for example, books and pamphlets with limited print runs, posters, and sheet music. Libraries traditionally housed these materials, limiting access to those able to physically visit. Thanks to the advent of new technologies for digitizing works and making them available online, it is possible for libraries and digital repositories to share those works with the world. Thus, scholars, artists and the general public can more easily access the wealth of knowledge that was once locked away in various institutions.

In addition, more and more often, works are created and then live entirely online, or are only available in digital

form because the physical copy is no longer available. When an author removes a website from the Internet, or removes certain content from a website, that site or content ceases to exist unless it has been preserved elsewhere. Without an effort to archive digital content, we risk losing much of our cultural memory.

C. Case Studies

Below are a few examples of how libraries and digital repositories can provide the general public with access to content, both in and out of the public domain, in a way that could not have been contemplated before the advent of the Internet.

1. The Internet Archive

Amicus Internet Archive offers permanent access for researchers, historians, scholars, and the general public to historical collections that exist in digital format. By digitizing this information, the Internet Archive makes works in the public domain accessible worldwide, promoting creativity in the arts and sciences by allowing individuals to clip and sample millions of public domain texts, films, and sound recordings with ease.

The Internet Archive's mission, to provide universal access to all knowledge, relies on a robust and stable public domain. For example:

- The Internet Archive features approximately 2,000 feature-length movies online available to the general public for free.[4] Most of these films are

4. *See* http://www.archive.org/details/movies.

uploaded by individual users who have possession of the films and have determined that they reside in the public domain. More than 2 million movie and audio items are downloaded from the Internet Archive daily.

- The Internet Archive archives various institutions' digital content. Some of this archiving is done at the request (and payment) of third parties, such as universities or the federal government. These collections are often curated, allowing the institutions the ability to organize, catalog, and manage their digital content. These collections include movies, audio, texts, software, and archived web content.[5] The Internet Archive contains nearly 1.5 million texts from American libraries alone.

- The Internet Archive runs a book project,[6] which is responsible for uploading approximately 1,000 digitized books each day and 1,000 reels of microfilm each week. This work is done in conjunction with libraries and other third parties who provide the books to be scanned to the Internet Archive. Also, individuals on their own accord scan and upload books. In each instance, the party providing the material to scan and upload is responsible for

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5. *See, e.g.*, *Ebook and Texts Archive*, Internet Archive, http://www.archive.org/details/texts; *Audio Archive*, Internet Archive, http://www.archive.org/details/audio; Archive-It, http://www.archive-it.org.

6. *See Ebook and Texts Archive*, Internet Archive, http://www.archive.org/details/texts, Open Library, http://openlibrary.org/.

making the determination as to whether a given text properly resides in the public domain. More than 500,000 books are downloaded from Internet Archive each day.

The reliability of the public domain plays an integral role in these Internet Archive projects. An enormous amount of the material made available at the Internet Archive—whether contributed by an individual user or an organized institution—resides in the public domain, and it is often up to the uploading users, and not copyright lawyers, to determine the status of the work.

Once a public domain item—be it a movie or text or any other content—has been posted to the Internet Archive, it is available free of charge to the general public to use in any manner whatsoever. The public, therefore, is free to create derivative works. This produces a chain of creativity, in which future creators are dependent not only on the prior creator's license or release of his or her work, but on every work in the chain. If a work inside that chain is removed from the public domain, it jeopardizes each of these works, resulting in confusion and inefficiency. As a practical matter, it may also be difficult or impossible to trace the content as it exists further down this chain of derivative works.[7]

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7. A subset of the Internet Archive that also houses and provides access to material online is the Prelinger Archive, which may be found at http://www.archive.org/details/prelinger_library. The Prelinger Archive consists of at least 3,760 distinct digitized items, which it offers for public usage on the Internet Archive.

2. The Wikimedia Foundation

Amicus Wikimedia Foundation is one of the largest hosts of public domain material in the world, supported by tens of thousands of volunteers. The Wikimedia mission envisions that all of its content be freely reusable by anyone in the world at no cost. Although Wikimedia relies considerably on free licenses, such as the Creative Commons Attribution ShareAlike License, for the distribution of copyrighted materials, only a small percentage of works are released in the world under such licenses. For that reason, Wikimedia and its volunteers depend heavily on the public domain to augment content.

Within the Wikipedia project specifically, public domain images, videos, and sound files are used to illustrate hundreds of thousands of encyclopedia articles. In addition, thousands of articles incorporate text from a wide variety of public domain sources. In many cases, the public domain material serves as a seed to germinate an article. Volunteer editors update and expand the material to make it more comprehensive, timely, and accurate. In other cases, public domain material is used to augment or inform existing articles. Reliance on the public domain is important when dealing with historical subjects, since free content licenses were not widely used before the 21st century. In these cases, public domain photos, maps, and illustrations may be the only media freely available for illustrating such articles.

The Foundation also runs one of the largest repositories of public domain media in the world, Wikimedia Commons. Wikimedia Commons currently hosts over 10 million files, of which about 3 million are in the public domain. These

include scans of books, documents, maps, illustrations, historical photographs and videos, sound recordings of public domain music and speeches, and various other works. Public domain media from Wikimedia Commons is not only used by other Wikimedia projects but also by websites across the Internet—on blogs, news sites, educational websites, etc. The value of this content is evident in the fact that public domain media hosted by Wikimedia Commons is even reused in books, magazines, and journal articles.

Wikimedia Commons also hosts thousands of works that are derived from other public domain works. For example, a diagram of the human brain from the 1918 edition of Gray's Anatomy has been reproduced with labels in five other languages.[8] In this way, an illustration that was previously locked away in university libraries can now be viewed by millions of people across the world from the convenience of their home or school, at no cost, and in their own language.

Another Wikimedia project that makes heavy use of the public domain is Wikisource. Wikisource is a free library of public domain, creative commons, and other legally available texts for free download. These texts are collected and maintained by a community of volunteers. In many cases the texts are painstakingly transcribed over months or years from scans of public domain books. On the English Wikisource alone, over 200,000 texts

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8. *See File:Gray728.png*, Wikimedia Commons, http://commons.wikimedia.org/wiki/File:Gray728.png; *see e.g.*, *File: Brain diagram ja.svg*, Wikimedia Commons, http://commons.wikimedia.org/wiki/File:Brain_diagram_ja.svg.

have been compiled. These texts span a huge range of material—from the Spanish Constitution to Little Red Riding Hood. Each text can be read and searched online or exported to other formats.

As one of the largest hosts of the public domain, Wikimedia demonstrates the incredible value that these works provide to the global community, a value made possible by tens of thousands of engaged volunteers. However, though smart and dedicated, these volunteers are not practicing attorneys. They need clear rules to enhance knowledge in the public domain, not an ever-shifting and complex set of laws that could undermine the status of a public domain work.

3. The HathiTrust Digital Library

In 2008, the University of Michigan Library was awarded a National Leadership Grant from the Institute of Museum and Library Services (IMLS) in order to develop and implement the Copyright Review Management System (CRMS). CRMS was designed to enable cross-university collaboration in determining the copyright status of the books contained in the HathiTrust Digital Library that were published in the United States from 1923 to 1963.[9]

These books formed a special corpus of the HathiTrust Digital Library because many of the books published during this period failed to comply with the requisite

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9. *See Copyright Review Management System – IMLS National Leadership Grant*, University of Michigan Library, http://www.lib.umich.edu/imls-national-leadership-grant-crms.

copyright formalities (and thus were in the public domain). However, due to the difficulty of manually verifying the copyright status of these works, there was a great deal of uncertainty as to which works were still subject to copyright and which works were in fact public domain.

In order to address this problem, the University of Michigan Library developed the CRMS project, and, in partnership with the Indiana University Libraries, the University of Minnesota Libraries, and the University of Wisconsin-Madison Libraries, has reviewed more than 140,000 volumes to date, determining that more than 78,000 volumes are in fact in the public domain.[10] The benefits of these determinations are substantial; once a book is determined to be in the public domain it is "opened" in the HathiTrust Digital Library, and is then available for use by members of the public. Because of the CRMS project, tens of thousands of books that would have sat relatively unused are available for education, reading, and scholarship.

By 2012, the University of Michigan Library and the IMLS are projected to have spent $1,067,000 on the CRMS project, and the University is currently seeking additional grant and staffing commitments of more than one million dollars to expand the project over the next three years. This is a significant investment of time and capital for the University of Michigan Library, but one it has been willing to undertake to further the substantial public good achieved by making these public domain works available.

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10. *Id.*

II. By Destabilizing the Public Domain, Section 514 Impedes Access to Knowledge

A. Loss of Public Domain Works

The automatic restoration provision of Section 514 affects potentially millions of works formerly in the public domain, many of which could be made available at the Internet Archive, on Wikimedia sites, in the HathiTrust Digital Library, or via myriad other libraries or digital repositories. For example, Section 514 automatically restored[11] copyright protection to all works that had not been protected in the United States because no treaty existed at the time of creation between the United States and the source country, such as Russian works created before May 27, 1973, when the Soviet Union jointed the Universal Copyright Convention. Thus, Section 514 pulls out of the public domain works by Maxim Gorky, Sergei Prokofiev, Dmitri Shostakovich, Sergei Yesenin, and Marina Tsvetaega.[12]

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11. While Section 514 restores copyright protection, a copyright's owner may only enforce that right against a reliance party upon filing a notice of intent with the Copyright Office or serving notice of intent to enforce upon the reliance party. 17 U.S.C. § 104A(d)(2).

12. There is no plausible basis for arguing that restoring copyright protection for the works created by long dead authors in a Communist country that did not recognize property rights in any way promotes the progress of science and the useful arts. Gorky died in 1936; Prokofiev died in 1953; Shostakovitch died in 1975; Yesenin died in 1925; Tsvetaeva died in 1941. While their struggles to express themselves artistically in the face of brutal totalitarian repression are worthy of great admiration, providing their heirs with royalties does not fulfill the constitutional purpose of the Copyright Clause.

B. Uncertainty Impedes Accessibility

1. Section 514 Dilutes Scarce Resources

Section 514 also makes it significantly more difficult (or in some cases impossible) to determine the copyright status of foreign works and thus whether or not they may be legally hosted. In order to acquire and provide access to digital materials, libraries and digital repositories are dependent on reliable conclusions as to whether a work is in the public domain. An unstable public domain forces them to operate in a legal gray area, subject to real litigation concerns and subsequent chilling effects. Given the constrained legal budgets of non-profit organizations, libraries and digital repositories are understandably reluctant to take that risk, even where the probability of litigation is relatively low. *See* James Boyle, *The Public Domain* at 12 ("[s]ince it is so difficult to know exactly who owns the copyright (or copyrights) on a work, many libraries simply will not reproduce the material or make it available online until they can be sure the copyright has expired—which may mean waiting for over a century. They cannot afford to take the risk.").

Time and energy spent confirming the public domain status of a given work are resources that could be devoted in more publicly beneficial ways, such as acquiring new works or making them available. For example, it is imperative that the University of Michigan Library and their partner institutions be able to trust that a work in the public domain will remain in the public domain if they are to continue investing staff time, energy, and resources into projects like the CRMS. Establishing the facts and processes of a project like the CRMS takes time and effort;

uncertainty about the reliability of a work's public domain status or other essential facts calls to question their ability to undertake this socially useful project and others like it.

This same uncertainty—and its negative effects—apply not just to organizations, but to the users and volunteers who seek out and upload public domain materials to supplement the libraries and digital repositories. The participation of volunteers is indicative of a remarkable societal transformation, one that shows no signs of slowing. They are amateur archivists who harness the power of the Web to distribute works in the public domain. Any rule that imposes complicated, after-the-fact copyright restrictions on previous public domain works or injects any more uncertainty into an already complicated legal regime results in confusion and hesitancy by the laymen archivist and his or her ability to support libraries and digital repositories.

Finally, not only does the removal of items from the public domain breach a social contract between a work's author and those who later use those works, but it increases the expense of serving the public interest. In particular, it injects uncertainty and confusion about the parameters of the public domain into the marketplace, preventing ideas, capital, and commerce from flowing efficiently. The more complicated the rules, the higher the costs and the greater the reluctance to identify and distribute public domain works. For example, as noted above, HathiTrust has spent more than $1 million determining whether works fall into the public domain. Should the contours of the public domain shift during this project (or once it is complete),

it will leave the HathiTrust Digital Library saddled with potentially paralyzing uncertainty.

2. Section 514 Creates New Orphan Works, Exacerbating a Problem that Already Plagues Libraries and Digital Repositories

Removing works from the public domain has also resulted in the creation of new "orphan works," i.e., works that appear to be "in-copyright" but whose authors cannot be identified or located. In light of the legal risks described above, libraries are reluctant to make orphan works available online. In a letter to the Copyright Office, the College Art Association described Section 514's operation as follows:

> [T]he "orphan works" problem has been enormously exacerbated by the restoration of foreign works as a result of Section 514. . . . Literally, in one fell swoop, hundreds of thousands, if not millions, of works that were once in the public domain have been given the full protection of United States Copyright. The vast majority of foreign works were never registered, so registrations and renewals cannot be found to identify the rights owners, particularly if they are not famous. . . . In the vast majority of cases, identifying, finding and clearing rights is realistically impossible. This restoration to the full protection of United States copyright law has largely occurred without any commensurate benefit to the

> American public because most of these works are not being disseminated unless the rights owner is identifiable and can be found (or unless the works are currently being exploited by the copyright owner or his or her licensee).[13]

The College Art Association offered examples of this serious problem, including:

- The Hispanic Society of America has thousands of photographs from dealers worldwide, especially Latin America, where the copyright owner could not be located. These included images of buildings that have since been destroyed (making it impossible even to travel to the site to take a duplicate photograph). *Id.* at 12.

- Photographs of works by Haitian artists, where even the artist is not easily determined, much less the publisher. *Id.* at 16.

- A photograph of a 14th Century wall painting printed in a small scholarly book from France, where the author could not be located. The researcher had to travel to France to take photos of the same paintings. *Id.* at 19.

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13. Letter from Jeffrey P. Cunard, Counsel for the College Art Association, to Jule L. Sigall, Associate Register for Policy & International Affairs, U.S. Copyright Office (March 25, 2005), 6-7, *available at* http://www.collegeart.org/pdf/caa_orphan_letter.pdf (citation omitted).

In a similar letter,[14] the Library Copyright Alliance gave other examples:

- A project under consideration was digitization of approximately 1200 rare ethnomusicology 78rpm records of folk music. The project had to be severely limited to records that were clearly in the public domain, since most of the record labels were out of business. *Id.* at 4.

- The University of California, Los Angeles Library maintains the Frontera Collection, "which consists of more than one hundred thousand recordings and thirty thousand performances of Mexican folk music. Most of the collection is covered under copyright and the library is unable to locate the copyright owners. Accordingly, the Library cannot make the collection available outside UCLA, *e.g.*, by interlibrary loan." *Id.* at 5.[15]

In its own letter, the UCLA library further described the difficulty in obtaining rights to the Frontera

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14. Letter from Miriam M. Nisbet, Legislative Counsel, American Library Association to Jule L. Sigall, Associate Register for Policy & International Affairs, U.S. Copyright Office (March 25, 2005), *available at* http://www.arl.org/bm~doc/lcacomment0305.pdf (hereinafter, *Nisbet Letter*).

15. *See also* The Strachwitz Frontera Collection of Mexican and Mexican American Recordings, http://frontera.library.ucla.edu/, the web site for the Frontera Collection. "Due to copyright restrictions," the collection can only be accessed at UCLA. *See Copyright and Access*, The Strachwitz Frontera Collection of Mexican and Mexican American Recordings, http://frontera.library.ucla.edu/access.html.

Collection of Mexican and Mexican-American recordings, and lamented the "effect of current copyright law" on "restricting or limiting access to our cultural heritage."[16]

The problem of orphan works, which is already acutely felt in the library and digital repository community, is exacerbated by Section 514's reduction of the public domain. When works previously in the public domain become orphans because of Section 514, it means that works that once belonged to the public may not be shared—even if parties wish to pay royalty fees—because the authors of those works are unknown. In essence, Section 514 takes works previously in the public domain and places them in a black box.

Moreover, by threatening the integrity of the public domain, Section 514 sets a dangerous precedent; no longer will libraries and digital repositories be able to do their essential work with confidence that, at some future date, a work currently out of copyright will not suddenly become the subject of a copyright dispute.

In short, when the public domain shrinks, so does the ability of digital archivists, librarians, and volunteers to preserve and provide access to cultural works, now and in the future. It is a sad irony indeed that this should occur at the very moment when new technologies make it possible for the public domain to be more truly "public" than ever.

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16. Letter from Gary E. Strong, University Librarian and Director, University of California, Los Angeles, to Jule L. Sigall Associate Register for Policy & International Affairs, U.S. Copyright Office (March 2005), 10-12, 14, *available at* http://www2.library.ucla.edu/pdf/GES_orphan_works_comments.pdf.

3. Section 514 Discourages Productive Third-Party Uses

Section 514 discourages artists, writers, and others from incorporating third-party material into their own future works because Section 514 creates ambiguity—whether fear of retroactive copyright liability or confusion over complex copyright restoration rules. This uncertainty harms the speaker, as well as others who may benefit from that speech. Kevin Cooper, for example, published a book in 2005 of children's songs called *Snakes, Snails, and C Major Scales* (2005). *See Nisbet Letter*, *supra* at 8. Mr. Cooper's original draft included "a variety of multicultural pieces," including Native American, Jewish, Russian, French, Japanese, and Mexican songs. *Id.* However, because Mr. Cooper could not determine whether many of the songs were in the public domain, the book was limited to Russian, French, Japanese, and American songs. *Id.* "Therefore, it resembles the multicultural music education materials of the past with an imbalance of songs from mostly white, European cultures and superficial songs written about cultures but not by the cultures themselves, like 'Ten Little Indians.'" *Id.* Section 514 exacerbates this problem and keeps important pieces of the cultural commons out of the hands of the people to whom it rightly belongs: the public.

III. Copyright Legislation Should Protect the Public Interest

As the above examples illustrate, Section 514, and the uncertainty it introduces, undermine efforts to make public domain works available in new ways, at the very moment when digital technologies are helping to expand

public access to our cultural commons. As discussed in greater detail in Petitioners' brief, the Constitution does not countenance Congress's decision to put the interests of a few authors ahead of the public interest.

A. The Progress Clause Limits Congress's Ability to Shrink the Public Domain

This Court has declared that "[t]he primary objective of copyright is not to reward the labor of authors, but '[t]o promote the Progress of Science and the useful Arts.'" *Feist Publ'ns, Inc. v. Rural Tel. Serv. Co., Inc.*, 499 U.S. 340, 349 (1991), quoting U.S. CONST. Art. 1, § 8, cl. 8. According to this Court, copyright protection "is intended *to motivate the creative activity* of authors . . . by the provision of special reward, *and to allow the public access to the products of their genius after the limited period of exclusive control has expired.*" *Sony Corp. of Am. v. Universal City Studios, Inc.*, 464 U.S. 417, 429 (1984) (emphasis added); *see also Twentieth Century Music Corp. v. Aiken*, 422 U.S. 151, 156 (1975) ("[c]reative work is to be encouraged and rewarded, but private motivation must ultimately serve the cause of promoting broad public availability of literature, music, and the other arts.").

By reserving a broad, consistent swath of content for widespread and unlimited use, the public domain provides a secure home for a cultural commons; it becomes, in turn, a crucial resource for subsequent creation and innovation, helping copyright law attain its goal. "Nothing today . . . is genuinely new: Culture, like science and technology, grows by accretion, each new creator building on the works of those who came before." *White v. Samsung*

Elecs. Am. Inc., 989 F.2d 1512, 1513 (9th Cir. 1993) (Kozinski, J., dissenting from the denial of rehearing en banc); *see also* William M. Landes & Richard A. Posner, *The Economic Structure of Intellectual Property Law* 66-67 (2003) ("[c]reating a new expressive work typically involves borrowing or building on material from a prior body of works, as well as adding original expression to it"); Jessica Litman, *The Public Domain*, 39 EMORY L. J. 965, 967 (1990) ("the public domain is the law's primary safeguard of the raw material that makes authorship possible").

Thus, the public domain is an essential part of the traditional copyright bargain, and any effort to change its contours must comport with the copyright's fundamental legal authority: the Progress Clause of the Constitution. U.S. CONST. Art. 1, § 8, cl. 8. *See Graham v. John Deere Co.*, 383 U.S. 1, 5-6 (1966) ("The clause is both a grant of power and a limitation"). As this Court has held,

> Article I, § 8, cl. 8, of the Constitution gives Congress the power "[t]o promote the Progress of Science and useful Arts, by securing for limited Times to Authors and Inventors the exclusive Right to their respective Writings and Discoveries." . . . the Clause contains both a grant of power and certain limitations upon the exercise of that power.

Bonito Boats, Inc. v. Thunder Craft Boats, Inc., 489 U.S. 141, 146 (1989); *see also Sony Corp.*, 464 U.S. at 428-29 (under the Progress Clause, "[t]he monopoly privileges

that Congress may authorize are neither unlimited nor primarily designed to provide a special private benefit").[17]

As Petitioners explain in greater detail, destroying the longstanding expectation that works in the public domain stay there runs directly contrary to the policy and letter of the Progress Clause. 4 Melville B. Nimmer & David Nimmer, *Nimmer on Copyright* §§ 18.06[C][1], 18-80 (2008). Worse, Congress did not even consider its Constitutional mandate when it enacted the legislation behind Section 514. *Id.* at 18-82-83 (neither the House nor Senate reports "betrays the slightest awareness of the breadth of the changes being implemented or their departure from two centuries of constitutional jurisprudence under the Copyright Clause").

B. The First Amendment Limits Congress's Ability to Shrink the Public Domain

The First Amendment also limits Congress's scope of authority. Because it protects our cultural commons, the public domain is essential to free speech, helping to give meaning to the First Amendment right to receive

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17. Although *Graham* and *Bonito Boats* involved the patent laws, the Progress Clause limits both patents and copyrights. In these situations, it is appropriate to refer to patent cases "because of the historic kinship between patent law and copyright law." *Sony*, 464 U.S. at 439. Respondents incorrectly assert (see Petition Opposition at 16) that *Eldred v. Ashcroft*, 537 U.S. 186 (2003) is to the contrary. *Eldred* merely held that *Bonito Boats* and other patent cases do not apply to issues dealing with "a grant's duration," 537 U.S. at 216-17. Unlike *Eldred*, this case does not involve the duration of copyright—it involves granting new copyright protection to works that formerly were in the public domain. *Graham* and *Bonito Boats* speak directly to this point.

information. *See* Diane Leenheer Zimmerman, *Is There A Right To Have Something to Say? One View of the Public Domain*, 73 FORDHAM L. REV. 297, 326 (2004) ("A constitutional guarantee of free speech that promised to protect little more than our right to mumble meaningless sounds or scribble random lines on a piece of paper would be an empty concept. Speech requires content to be meaningful. This includes some ability to acquire such content and certainly the privilege of using it."). Indeed, "the right to receive ideas is a necessary predicate to the *recipient's* meaningful exercise of his own rights of speech, press, and political freedom." *Pico*, 457 U.S. at 867 (emphasis in original).

With a reduction to the public domain, the right to receive information is diminished, as is the voice of the community. As a practical matter, as explained above, it impairs the rapidly expanding ability of libraries and digital repositories to make information available to the community. Given the essential role that libraries and digital repositories can play in facilitating a vibrant regime of inquiry, this represents a significant harm to free speech interests.

What is worse, this is not a case, as in *Eldred v. Ashcroft*, where the works in question had never entered the public domain. In *Eldred*, this Court upheld the constitutionality of the Copyright Term Extension Act (CTEA) Pub.L. 105–298, §§ 102(b) and (d), 112 Stat. 2827–2828 (1998), which extended the term of existing (non-expired) copyrights for 20 years. Unlike Section 514, however, the CTEA did not remove anything from the public domain, since it only applied to works currently under copyright protection.

Section 514, by contrast, deprives Petitioners, amici and their patrons of access to speech that already belonged to the public. Thus, as the initial Tenth Circuit panel reviewing this case noted, the First Amendment interests implicated in the public domain here are greater than those raised in *Eldred*:

> The *Eldred* plaintiffs did not — nor had they ever — possessed unfettered access to any of the works at issue there . . . the most the *Eldred* plaintiffs could show was a weak interest in "making other people's speeches." 537 U.S. at 221, 123 S.Ct. 769. By contrast, the speech at issue here belonged to plaintiffs when it entered the public domain.

Golan v. Gonzales, 501 F.3d 1179, 1193 (10th Cir. 2007) (citing *Eldred*, 537 U.S. at 221).

On appeal, the second Tenth Circuit panel ignored this distinction and based its ruling on the faulty assumption that Petitioners were using speech that was not their own. *See* Petitioner's Brief at 44; *Golan v. Holder*, 609 F.3d 1076, 1084 (10th Cir. 2010) ("The First Amendment securely protects the freedom to make—or decline to make—one's own speech; it bears less heavily when speakers assert the right to make other people's speech.") (*quoting Eldred*, 537 U.S. at 221). As Petitioners explain, the first Tenth Circuit ruling had it right: once works enter the public domain, they belong to the public, not the former copyright holder. *See, e.g., Dastar Corp. v. Twentieth Century Fox Film Corp.*, 539 U.S. 23, 33-34 (2003) (anyone may use works in the public domain "at will and without attribution"); *Bonito Boats*, 489 U.S. at 153 (recognizing "free access to

copy whatever the federal patent and copyright laws leave in the public domain") (*quoting Compo Corp. v. Day-Brite Lighting, Inc.*, 376 U.S. 234, 237 (1964)).

Section 514 should have been crafted and interpreted in a manner consistent with the constitutionally mandated purpose of copyright law. *Cf.*, *Bilski v. Kappos*, 561 U.S. ___, 2010 WL 2555192, at *3252 (June 28, 2010) (Stevens, J., concurring) (the Court should interpret patent laws in light of the Constitution's Progress Clause). As set forth above, Section 514 actually frustrates that purpose, to the detriment of the public interest in a vibrant cultural commons.

CONCLUSION

As the above suggests, Section 514 contradicts copyright's central purpose of fostering creativity. In enacting Section 514—and, in the process, signaling a willingness to reconsider the boundaries of the public domain again should future speculation seem to require it—Congress took the certainty out of the public domain and drastically eroded the ability of libraries and digital repositories to know what works are available for use and, even more troubling, what works might not be available in the future. This is not the balance that the copyright law and policy—and the First Amendment—require. Amici respectfully urge the Court to recognize that Congress has gone beyond its authority and find Section 514 unconstitutional.

Respectfully submitted,

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AMICUS CURIAE BRIEF

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LAWRENCE GOLAN, *ET AL.*,
Petitioners,

v.

ERIC H. HOLDER, ATTORNEY GENERAL, *ET AL.*,
Respondents.

On Writ of Certiorari to the United States Court of Appeals for the Tenth Circuit

BRIEF OF THE AMERICAN SOCIETY OF COMPOSERS, AUTHORS AND PUBLISHERS; THE AMERICAN SOCIETY OF MEDIA PHOTOGRAPHERS; THE ASSOCIATION OF AMERICAN PUBLISHERS; BROADCAST MUSIC, INC.; HOUGHTON MIFFLIN HARCOURT PUBLISHING COMPANY; THE NATIONAL MUSIC PUBLISHERS' ASSOCIATION; THE RECORDING INDUSTRY ASSOCIATION OF AMERICA; REED ELSEVIER; AND THE SOFTWARE AND INFORMATION INDUSTRY ASSOCIATION AS *AMICI CURIAE* IN SUPPORT OF RESPONDENT

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TABLE OF CONTENTS

TABLE OF AUTHORITIES iii

Interest of the *Amici* 1

SUMMARY OF ARGUMENT 4

ARGUMENT 6

Introduction 6

I. The Copyright Clause Does Not Prohibit Congress From Restoring Copyright Protection to Existing Unprotected Works for a Limited Time 11

A. Neither the Text Nor the Purpose of the Clause Prohibits Copyright Restoration 11

B. Congress Has Previously Provided Copyright Protection for Existing Unprotected Works 15

1. The 1790 Copyright Act Protected Existing Unprotected Works 15

2. Since 1790, Congress Has Offered Copyright Protection to Existing Works That Were Unprotected When Congress Acted 18

3. Congress Has Extended New Exclusive Rights to Existing Works 19

II. Section 514 Does Not Alter The Traditional Contours of Copyright Protection within the Meaning of *Eldred v. Ashcroft* 21

III. Section 514 Satisfies Intermediate First Amendment Scrutiny 22

A. Securing Protection for American Copyright Owners Abroad is a Substantial Government Interest 23

1. Protecting the Profit Motive is a Legitimate and Constitutional Objective of Copyright 23

2. Worldwide Protections for U.S. Copyrighted Works Are an Important Aspect of Maintaining the Constitutional Incentives 24

B. The Enactment of Section 514 Helped Advance International Protection for U.S. Copyrighted Works 26

IV. Section 514 Does Not Burden More Speech than Necessary in Complying With Berne and Protecting American Interests Abroad 30

V. Conclusion 39

TABLE OF AUTHORITIES

Cases

Eldred v. Ashcroft,
537 U.S. 186 (2003) 17, 18, 22, 24

Golan v. Holder, 609 F.3d 1076
(10th Cir. 2010) 11, 33

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471 U.S. 539 (1985) 23

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(D.D.C. 2004), *aff'd*, *Luck's Music v. Gonzales*, 407
F.3d 1262 (D.C. Cir. 2005) 16

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520 U.S. 180 (1997) 22

Wheaton v. Peters, 33 U.S. (8 Pet.) 591 (1831) 17

Constitutional Provisions, International Agreements, Statutes and Regulations

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17 U.S.C. § 110 20

17 U.S.C. §§ 108-122 32

17 U.S.C. § 1101 26

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19 U.S.C. § 3802 (b)(4) 26

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The Federalist No. 43 23

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INTEREST OF THE *AMICI*

Amici and/or their members (collectively, *amici*) are owners of United States copyrights that depend on the protection that foreign governments offer to United States' works pursuant to international agreements. Many *amici* supported and lobbied for the enactment of the statute involved in this case. Many *amici* own or enforce restored copyrights. Their identities are as follows:

- The **American Society of Composers, Authors and Publishers** and **Broadcast Music, Inc.** are performing rights licensing organizations (PROs) that represent almost all American songwriters, composers, and music publishers. Through affiliation agreements with similar foreign entities, the PROs represent virtually all of the world's writers and publishers of music in the United States.

- The **American Society of Media Photographers** protects and promotes the interests of professional photographers in selling their works both in the United States and abroad.

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* No counsel for a party has written any portion of this brief. No party or entity other than those listed on the cover of this brief has contributed monetarily to its preparation or submission. The parties' consent to the filing of *amicus* briefs has been lodged with the Clerk.

- The **Association of American Publishers** is the principal national trade association of the U.S. book publishing industry. It represents some 300 large and small commercial book and journal publishers in the United States, including nonprofits, university presses, and scholarly societies.

- **Houghton Mifflin Harcourt Publishing Company** (Houghton) publishes educational materials for pre-K–12 schools, assessment tools for both students and educators, reference works and literature for adults and young readers. Houghton has interests in the enforcement of restored copyrights, including Tolkein's *The Hobbit*.

- The **National Music Publishers' Association** (NMPA) is the principal trade association of music publishers in the United States. Its 2,500-plus members collectively own or control the majority of musical compositions available for licensing in this country. NMPA's licensing affiliate, The Harry Fox Agency, Inc., serves as a licensing and collecting agent on behalf of over 37,000 publisher-principals who license their copyrighted musical compositions for reproduction and distribution.

- The **Recording Industry Association of America** (RIAA) is a trade group representing the American recording industry. The RIAA's record company members create, manufacture, and/or distribute approximately

ninety percent of all sound recordings legally produced and sold in the United States.

- **Reed Elsevier Inc.,** through divisions such as **LexisNexis and Elsevier, provides** medical, scientific, legal and other information to government, business, and educational institutions in electronic and hard-copy formats.

- The **Software & Information Industry Association** represents over 600 member companies that publish databases, enterprise and consumer software, and other products that combine information with digital technology.

SUMMARY OF ARGUMENT

Article 18 (1) of the Berne Convention requires signatory nations to give copyright protection to works of other Berne members, "which, at the time of its coming into force, have not yet fallen into the public domain in the country of origin through the expiry of the term of protection." Congress enacted section 514 of the Uruguay Round Agreements Act to comply with this treaty obligation and obtain protection for the works of United States authors in foreign countries. That enactment is constitutional under both the Copyright Clause and the First Amendment.

The Copyright Clause does not prohibit restoration of copyright to the works at issue. Congress cannot restore copyright protection to works that have already received a full term of copyright protection without violating the "Limited times" requirement of the Copyright Clause. Section 514, however, does not do that. It offers protection to certain foreign works only for the remainder of the copyright term that the foreign work would have enjoyed had it not lost copyright protection for technical reasons. As such, the statute protects works, only for a "Limited time," as the Clause requires.

That understanding of the Clause's meaning is confirmed by historical practice. Beginning in 1790, Congress has on several occasions provided protection for unprotected works, or expanded protection for existing works.

Petitioners' contention that section 514 alters the traditional contours of copyright protection because it purportedly deviates from the "bedrock principle" that "works in the public domain remain in the public domain," is incorrect. As just explained, no such principle exists. "Traditional contours" refers to copyright contours that accommodate free speech values. Section 514 preserves those accommodations.

Even if intermediate scrutiny were to be applied to section 514, the statute would easily pass constitutional muster. Securing protection for U.S. copyright owners in other countries is a substantial and legitimate government interest. The enactment of section 514 was part of a comprehensive national trade policy prioritizing the protection of intellectual property, and was necessary both to comply with the restoration obligations the United States undertook when it signed the Berne Convention, and to encourage other countries to offer reciprocal protection to the works of United States authors.

Section 514 is narrowly tailored to accomplish these ends. It affords foreign owners of restored copyrights the protection that Berne requires, while enabling the United States to seek meaningful levels of protection for U.S. works in other countries and protecting reliance parties from any unfairness that might result from their good-faith use of restored work prior to their restoration. The First Amendment does not prohibit Congress from adopting that balanced approach.

ARGUMENT

Introduction

The statute challenged in this case, section 514 of the Uruguay Round Agreements Act (URAA),[1] was enacted in 1994 to comply with a treaty obligation that the United States assumed in 1989, when it joined the Berne Convention for the Protection of Literary and Artistic Works (Berne).[2] The purpose of the "Berne Union" is to establish international standards of reciprocal copyright protection in Berne-member countries.[3] Pursuant to the Convention, works produced in Berne-member countries are protected for the term provided by the work's country of origin—which must at least be for the life of the author plus fifty years.[4] At the time that the United States joined Berne, almost every country that produced a significant amount of copyrighted material was a Berne member.[5]

The United States joined Berne to obtain full protection for U.S. works in all Berne countries.

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1 Pub. L. No. 103-465, 108 Stat. 4809, 4976 (1994) (codified at 17 U.S.C. §104A).

2 Sept. 9, 1886, 1161 U.N.T.S. 3 (revised on July 24, 1971).

3 *See* H.R. Rep. No. 100-609, at 12 (1988).

4 Berne, art. 7(2).

5 *See* World Intellectual Prop. Org. (WIPO), *Contracting Parties: Berne Convention, available at* http://www.wipo.int/treaties/en/ShowResults.jsp?lang=en&treaty_id=15.

Before the United States became a member of Berne, copyrighted works of U.S. authors and publishers were often deemed unprotected (part of the "public domain") in Berne-member countries. As such, they could be used and exploited without payment of royalties.[6] United States adherence to Berne established copyright relations for the first time between the United States and 24 other nations, secured "the highest available level of multilateral copyright protection for U.S. artists, authors and other creators," allowed the United States to assume a position of leadership in the world's copyright community, and strengthened the credibility of the U.S. position in trade negotiations in countries where piracy is common.[7]

Members of Berne are generally required to provide copyright protection for works of Berne nationals originating in other Berne countries and works that are protected by copyright in their country of origin.[8] This principle of "national treatment" is at the heart of Berne's reciprocal obligations.[9]

Berne's reciprocal obligation to protect works from other Berne members applies to works created

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6 *See* S. Rep. No. 100-352, at 3-4 (1988).

7 *Id.* at 2-3.

8 *See* Berne, art. 5. Prior to Berne adherence, the works of U.S. authors could only achieve Berne-level copyright protection in Berne-member countries by being published simultaneously in the United States and a Berne country. *See* S. Rep. No. 100-352, at 3-4.

9 *See* Berne, art. 5.

after a country joins Berne. It also applies, however, to works created *before* a country joins Berne, so long as the works are still within their term of copyright in their country of origin. [10] This requirement of copyright "restoration" is contained in Berne Article 18(1), which provides that "[t]his Convention shall apply to all works which, at the time of its coming into force, have not yet fallen into the public domain in the country of origin through the expiry of the term of protection." Thus, upon United States accession to Berne, pre-1989 musical compositions like "Hit the Road Jack" that had received copyright protection in the United States since its publication, became automatically entitled to copyright protection in all Berne countries until its given term expires.[11] *Amici* and their members are the proprietors of many such works. Since Berne obligations are reciprocal, pre-1989 foreign works that were still in copyright in their home country, but that had been unprotected in the United States for any reason, similarly became entitled to copyright protection.

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[10] Article 5(2) of Berne prohibits formalities that long were a feature of United States law. Until 1988 and 1992, respectively, U.S. law required a work to contain a technically correct U.S. copyright notice and undergo a formal renewal. *See* S. Rep. No. 100-352, at 12-13; Copyright Renewal Act of 1992, Pub. L No. 102-307, 106 Stat. 264. Failure to comply with either formality resulted in forfeiture of copyright protection. *Cf.* S. Rep. No. 102-194, at 4 (1991) (stating that with respect to their knowledge of the renewal formality, foreign authors' "total ignorance of the requirement was matched by their total amazement when it was explained to them").

[11] *See* Berne, arts. 7, 18.

Copyright restoration is one of the most important reasons why a country joins Berne, and it is one of the most significant obligations that a Berne member assumes as a condition of membership. *See* 1 S. Ricketson & J. Ginsburg, *International Copyright and Neighboring Rights: The Berne Convention & Beyond* 332-333 (2d ed. 2006). Restoration in Berne-member countries is especially important to the United States, given its status as the leading exporter of copyrighted works in the world.[12] Section 514, the law Congress enacted to bring the United States into compliance with this restoration obligation, is the subject of this case.

Section 514 restored U.S. copyright protection for works of foreign origin that were in existence and protected in their country of origin at the time the United States joined Berne, but that had lost protection for one of three reasons: (1) a failure to comply with U.S. procedural formalities such as notice, renewal, or manufacturing requirements; (2) in the case of sound recordings, a lack of federal protection of the subject matter; or (3) a lack of copyright relations with the country where the work

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[12] Foreign sales and exports of the four core copyright industries (sound recording, motion picture, computer software, and non-software publishing, which include newspapers, books and periodicals) continue to increase and remain larger than those of other major industry sectors. *See generally* Stephen Siwek, *Copyright Industries in the U.S. Economy: 2003-2007 Report*, *available at* http://www.iipa.com/pdf/IIPA SiwekReport2003-07.pdf (reporting total foreign sales at "$95.23 billion in 2003, $105.01 billion in 2004, $109.54 billion in 2005, $115.93 billion for 2006 and $125.64 billion in 2007").

was first published. 17 U.S.C. §§ 104A(h)(6)(c), (h)(8).[13]

The most significant of these categories of restored works is the category of works that forfeited copyright protection because of a failure to comply with the system of formalities that existed in the United States. Prior to 1989, a foreign work could lose the right to copyright protection in the United States if it failed to include a proper copyright notice. *See* H.R. Rep. No. 94-1476, at 146-48 (1976). And even if copyright had been properly secured, half the copyright term would be forfeited by failure to file a renewal application. *See generally id.* at 139-140. Article 5(2) of Berne does not permit signatories to impose such formalities as a condition of copyright protection, and the United States has abandoned them for all works of U.S. as well as foreign origin.

Section 514 does not apply to unauthorized uses of a restored work that occurred prior to the date of restoration (in most cases, January 1, 1996). These pre-1996 uses, however, may have entailed investments made in good faith on the assumption that the used work was not protected by copyright. Through Article 18(3), Berne expressly permits

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[13] The Agreement on Trade-Related Aspects of Intellectual Property Rights (TRIPS) specifically requires that signatories restore copyright to sound recordings in accordance with Article 18 of Berne. *See* General Agreement on Tariffs and Trade, Agreement on Trade Related Aspects of Intellectual Property Rights, art. 14(6), *available at* http://www.wto.org/english/tratop_e/trips_e/t_agm3_e.htm (GATT). All GATT signatories, including the United States, therefore have this obligation.

members to take account of the unfairness that full restoration may cause in such circumstances. Section 514 takes advantage of this limited permission to make exceptions for "reliance parties"—those that used or acquired the restored work prior to the restoration of its U.S. copyright.

Other countries have dealt with reliance parties in various ways that are, in some respects, more protective of reliance parties than section 514, and in some ways less protective. *See Golan v. Holder*, 609 F.3d 1076, 1092-93 (10th Cir. 2010). Section 514, however, as Berne requires, fully restores copyright with respect to non-reliance parties—post restoration users who had no contact with the work prior to restoration. 17 U.S.C. § 104A(d)(1). Petitioners in this case contend that, although section 514 substantially limits its application to reliance parties in order to take account of good faith uses of restored works prior to restoration, section 514 nonetheless violates both the Copyright Clause and the First Amendment.

I. The Copyright Clause Does Not Prohibit Congress From Restoring Copyright Protection to Existing Unprotected Works for a Limited Time

A. Neither the Text Nor the Purpose of the Clause Prohibits Copyright Restoration

Petitioners' primary contention in this case is that section 514 is unconstitutional because the

Copyright Clause prohibits Congress from offering copyright protection to existing works that are unprotected at the time Congress acts. This argument is incorrect as a matter of both logic and history, because it fails to take account of *why* works may be unprotected at the time that Congress acts. The Copyright Clause authorizes Congress to secure exclusive rights for limited times. If a writing has enjoyed the full term of copyright protection, and if it is unprotected at the time Congress acts because that limited period of statutory protection has ended, petitioners are correct in believing that Congress may not again protect the work. Otherwise Congress would have the power to grant perpetual monopolies of the Copyright Clause–the very thing the Framers sought to prohibit.

Section 514, however, does not grant perpetual copyright protection. The protection it affords is, as the Copyright Clause requires, protection for a limited time. In the case of a foreign work that forfeited U.S. copyright protection at the time of its publication because it was published in the U.S. without notice of copyright, for example, section 514 offers copyright protection for the work, but only for the *remainder* of the copyright term that the work would have enjoyed had it initially been published with proper notice of copyright and in compliance with the law's erstwhile formalities. That is a limited, not an unlimited, term of copyright protection, and it is a term that lasts no longer than the term the work would have enjoyed had the forfeiture not taken place.

There is nothing in the text of the Copyright

Clause, nor in any purpose that can sensibly be attributed to the Clause, to prevent Congress from reversing forfeitures of copyright that occurred because of failures to comply with copyright formalities that Congress no longer wishes to impose and that the United States is actually prohibited from imposing as a condition of its membership in Berne. Formalities such as notice, deposit, and registration in U.S. copyright laws matter of congressional choice, not constitutional imperative. Congress certainly had authority, under the Copyright Clause, to decide to impose, and subsequently to remove, those formal requirements.[14] It should not be deprived of the ability to remove the lingering effects of formal requirements that it decides to—indeed must—discard. That is exactly what section 514 does.

Petitioners base their contention that forfeited copyrights cannot constitutionally be restored by asserting that there is a "public domain" of unprotected works from which materials "cannot be removed." (Pet. Br. at 26). The term "public domain" has been used in U.S. copyright law in at least two quite different senses. Works are said to "fall into the public domain" when they reach the end of their term of statutory copyright. H.R. Rep. No. 94-1476, at 134. Petitioners are correct in asserting that, as a consequence of the Copyright Clause's limited times requirement, that public domain is one from which works cannot

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[14] *E.g.*, Berne Convention Implementation Act of 1988, Pub. L. No. 100-568, 102 Stat. 2853; Copyright Renewal Act of 1992, 106 Stat. 264.

constitutionally be removed. But when copyright formalities were a prominent feature of U.S. copyright law, works were said to fall into the public domain when, as the result of a failure to comply with required formalities, statutory copyright protection was initially lost. H.R. Rep. No. 76-1612, at 1 (1940). The Copyright Clause does not prohibit Congress from removing works from that public domain for a limited copyright term.

Petitioners apparently understand that the Copyright Clause's restriction to "limited times" does not prohibit Congress from restoring the remaining term of copyright to works which forfeited the initial part of their copyright term. Petitioners respond by making the bizarre contention that works that had forfeited or otherwise been denied U.S. copyright protection because of a failure to comply with statutory requirements should nevertheless be treated as if they *had been* protected—for a term of "zero years." (Pet. Br. at 15, 22). Thus, in petitioners' view, when section 514 permits those works the remainder of the copyright term, that offer constitutes a second copyright term prohibited by the Copyright Clause.

Petitioners' contention that the loss of copyright protection is the constitutional equivalent of actual copyright protection defies both fact and common sense. The Copyright Clause prohibits awarding a second term of copyright protection. It does not prohibit Congress from reversing a formality-based copyright forfeiture that *prevented* the enjoyment of copyright protection. *See* S. Rep. No. 102-194, at 6 ("the public domain [from which works may not be

removed] should consist of works which have enjoyed a full and fair term of protection ...").

B. Congress Has Previously Provided Copyright Protection for Existing Unprotected Works

Beginning with the first federal Copyright Act in 1790,[15] Congress has, on several occasions, exercised its Article I power (1) to provide copyright protection to existing works that were unprotected when Congress acted, and (2) to prohibit uses of existing works that were permissible when Congress acted. This repeated practice confirms that the Copyright Clause has never been understood to prohibit Congress from providing or expanding copyright protection for existing works.

1. The 1790 Copyright Act Protected Existing Unprotected Works

In many respects, the first U.S. Copyright Act operated in a way strikingly similar to the operation of Berne. Prior to the 1790 Act, twelve of the thirteen original states (Delaware was the exception) enacted copyright statutes in response to a 1783 Continental Congress Resolution that they do so.[16] Although most of these state laws contained

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15 Act of May 31, 1790, ch. 15, 1 Stat. 124.

16 *See* Library of Cong., *Copyright Office Bulletin No. 3, Copyright Enactments of the United States, 1783-1906* 11 (2d ed. rev. 1906) (hereinafter Copyright Bulletin) (reprinting relevant state and federal statutes).

reciprocity clauses, differences in those clauses, as well as differences in the breadth and level of the protection offered by each state, resulted in a situation in which, although a work might be protected in its state of origin, protection in other states was often non-existent and, at best, uncertain.[17] For example, prior to the 1790 Act, the works of a Delaware author might be protected from piracy in Virginia and South Carolina, but could be copied without permission virtually everywhere else in the United States, including Delaware.[18] Works of New York authors were protected in New York, but not in Pennsylvania or Maryland.[19] Works of

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17 *See, e.g.*, Copyright Bulletin at 16 (Maryland law shall commence and be in force from the time that "all and every" state shall pass a similar law); *id.* at 21 (no protection under Pennsylvania law until "all and every" state had adopted copyright measure); *id.* at 26 (14-year term of North Carolina copyright protection only afforded to works of the United States authors if state of first publication has reciprocal protection); *id.* at 27 (two terms of fourteen years in Georgia if the state of author's *residency* provides comparable protection); *id.* at 19 (single twenty-one year term in Rhode Island if the state of which the author is a citizen provides similar protection to literary works); *id.* at 23 (South Carolina lacked an express reciprocity clause, but denied protection to all foreign-language works not printed in the United States).

18 *See* Copyright Bulletin at 25 (Virginia) (lacking express reciprocity provision, and providing for twenty-one years); *id.* at 23 (South Carolina); *see also Luck's Music v. Ashcroft*, 321 F. Supp. 2d 107, 114 (D.D.C. 2004), *aff'd* by *Luck's Music v. Gonzales*, 407 F.3d 1262 (D.C. Cir. 2005).

19 *See* Copyright Bulletin at 16, 21 (Maryland and Pennsylvania reciprocity provisions); *id.* at 31 (New York reciprocity provisions).

Virginia authors might be protected in New York for a longer term than in Virginia itself.[20]

When the 1790 Act took effect it afforded protection, as does section 514, throughout the United States to works already "printed and published." *See Eldred v. Ashcroft*, 537 U.S. 186, 200-201 n.5 (2003). Many–very likely most–of those works were in the "public domain," i.e. could be copied and used without the author's permission in parts or all of the United States. *See id.* at 232-33 (Stevens, J. dissenting) (describing how the Act of 1790 "created, rather than extended, copyright protection"). Any published work that was unprotected at the time of the 1790 Act, either because it was published without compliance with applicable state law formalities, or because there was no adequate reciprocity arrangement between the state of origin and another state, received the opportunity to claim federal copyright protection that did not previously exist. *See Wheaton v. Peters*, 33 U.S. (8 Pet.) 591, 661 (1831). The 1790 Act therefore "restored" copyright protection for "public domain" works domestically in the same way that membership in Berne restores copyright in existing works internationally.

If the Copyright Clause prohibited Congress from affording copyright protection to existing unprotected works, as petitioners contend, the copyright protection offered by the 1790 Act would either have to have been entirely prospective in

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[20] *See* Copyright Bulletin. at 29-30 (28-year full term in New York); *id.* at 25 (Virginia term of 21 years).

operation–i.e. applicable only in works first produced or published after 1790–or it would have made its federal protection for existing works contingent on proof that those works enjoyed legal protection throughout the U.S. at the time of the 1790 Act. The 1790 Act contained neither of these limitations.

2. Since 1790, Congress Has Offered Copyright Protection to Existing Works That Were Unprotected When Congress Acted

On a number of occasions, federal statutes have protected existing previously unprotected writings and inventions. Perhaps most prominently—and akin to this case—this court's decision in *Eldred* relied on an earlier decision in which the Court upheld a federal statute that had restored patent rights to an invention that had become unprotected because of an inadvertent forfeiture of the patentee's rights. 537 U.S. at 202-03 (citing *McClurg v. Kingsland*, 42 U.S. 202 (1843)).

Other examples of such legislation include several private bills restoring copyright that had been lost because of, for example, a failure to file a renewal,[21] a grant of copyright protection for

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[21] *See, e.g.*, Copyright Bulletin at 73 (Act of May 24, 1828) (granting copyright to "Rowlett's Tables of Discount or Interest"); *id.* at 74-75 (Act of Feb. 19, 1849) (waiving defect in formality compliance for almanac); *id.* at 76 (Act of Jan. 25, 1859) (granting copyright to republish history of Indian tribes previously published by order of Congress); *id.* at 76 (Act of May 24, 1866) ("securing" copyright to work regarding exploration of the Amazon); *id.* at 76-77 (Act of June 23, 1874)

unprotected foreign works for the 1904 World's Fair,[22] and wartime restorations that excused the failure of foreign authors of existing works to comply with then-existing formalities due to the presence of hostilities.[23] If it were clear, as petitioners contend, that Congress has always completely lacked power to restore copyright to existing unprotected works, one would expect that challenges would have been made to at least some of these exercises of Congress's copyright power.

3. Congress Has Extended New Exclusive Rights to Existing Works

The historical record also shows that Congress has, on several occasions, used its copyright power to extend the exclusive rights enjoyed by existing works, thus removing existing public rights to use materials in certain ways. For example, the Copyright Revision Act of 1976 gave the owners of existing copyright the right to bar nonprofit public performances[24] that were permissible at the time

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(restoring copyright to work regarding "System of Surgery"); *id.* at 77 (Act of Feb. 17, 1898) (restoring copyright to work regarding ortheopy (correct pronunciation)).

[22] *Id.* at 70-71 (Act of Jan 7, 1904).

[23] Library of Cong., *Copyright Office Bulletin No. 3, Copyright Enactments of the United States, 1783-1973* 93 (Act of Dec. 18, 1919) (extending ad interim copyright and providing for an extension of time for compliance with formalities); *id.* at 101 (Act of Sept. 25, 1941) (providing a one-year reliance party provision).

[24] Nonetheless, petitioners' claim that they cannot teach classical music because of the enactment of section 514 is

Congress acted. *See* H.R. Rep. No. 94-1476, at 62-63. Congress had previously taken similar action with regard to public performance of music for profit in 1897.[25] Other examples of the use of the copyright power to prohibit previously permitted uses of existing material include 1984 legislation prohibiting record stores from renting sound recordings to individuals, a prohibition later extended to computer programs in 1992.[26] The 1976 Copyright Revision Act for the first time required cable operators to begin paying license fees for the transmission of copyrighted motion pictures.[27] Other enactments include 1995 legislation requiring internet radio stations to pay license fees to the copyright owners of existing sound recordings,[28] and 1856 legislation that, for the first time, prohibited the dramatization of existing published works.[29] Examples of this kind of expansion of protection for existing works abound.[30] This rich history of federal legislation that

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strange, as classroom performance of such material is permitted. (Pet. Br. at 11); *see* 17 U.S.C. § 110.

[25] *See* Copyright Bulletin at 66-67.

[26] *See* Record Rental Amendment of 1984, Pub. L. No. 98-450, 98 Stat. 1727; *see also* Computer Software Rental Amendments Act of 1990, Pub. L. No. 101-650, 104 Stat 5089.

[27] *See* H.R. Rep. No. 94-1476 at 88-89.

[28] *See* Digital Performance Right in Sound Recordings Act of 1995, Pub. L. No. 104-39, 109 Stat. 336 (providing 90-day delay in effective date for compliance).

[29] *See* Copyright Bulletin at 43 (Act of August 18, 1856).

[30] *See, e.g.*, H.R. Rep. No. 94-1476, at 63-64 (describing application of new public display right in 17 U.S.C. § 106 to existing works); Visual Artists Rights Act of 1990, Pub. L. No. 101-650, 104 Stat. 5089 (codified at 17 U.S.C. § 106A) (granting

repeatedly imposed new restrictions on the public's ability to use material that was free for public use before the new restrictions were enacted would not exist if, as petitioners contend, the Copyright Clause forbids Congress from giving authors new exclusive rights to existing material.

Petitioners' constitutional attack on section 514 is nothing more than their disagreement with Congress's decision to eliminate the remaining effects of copyright forfeitures caused by the failure of foreign authors to comply with copyright formalities that are no longer part of U.S. law. Whether to take that action is a question that the Copyright Clause leaves to congressional resolution.

II. Section 514 Does Not Alter The Traditional Contours of Copyright Protection within the Meaning of *Eldred v. Ashcroft*

Petitioners argue that the Tenth Circuit correctly found that section 514 alters the traditional contours of copyright protection because it purportedly deviates from the "bedrock principle" that "works in the public domain remain in the public domain." (Pet. Br. at 43). As explained earlier in this brief, however there is no such principle–bedrock or not. In all events, the changes

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certain rights to visual artists against mutilation of existing works); Vessel Hull Design Protection Act, Pub. L. No. 105-304, 112 Stat. 2860 (1998) (codified at 17 U.S.C. §§ 1301 *et seq.*) (providing protection to boat hulls if (a) not on sale for one year prior to effective date and (b) registered with the Copyright Office).

in traditional contours to which the *Eldred* opinion refers are changes in the way that copyright accommodates free speech values. In *Eldred*, the Court held that the extension of term in existing works that was at issue in that case was not inconsistent with the traditional contours of U.S. copyright law because it did not change the application of the fair use doctrine or the idea-expression dichotomy, and because it served copyright's traditional objective of promoting the creation and dissemination of free expression. *See* 537 U.S. at 219. Section 514 similarly makes no change in the application of copyright's traditional First Amendment safeguards. Section 514 causes no greater restrictions on free expression than would have occurred if the copyright forfeitures that section 514 reverses had not been imposed in the first place.

III. Section 514 Satisfies Intermediate First Amendment Scrutiny

Even if intermediate First Amendment scrutiny were to be applied to section 514, that standard would amply be satisfied. Intermediate scrutiny requires that a statute "further an important or substantial governmental interest unrelated to the suppression of free speech, provided that the incidental restrictions [do] not burden substantially more speech than necessary to further those interests." *Turner Broad. Sys., Inc. v. FCC*, 520 U.S. 180, 186 (1997) (internal quotation omitted). *Amici* address the application of this standard from the perspective of American entities

that create, market, and sell their works throughout the world.

A. Securing Protection for American Copyright Owners Abroad is a Substantial Government Interest

1. Protecting the Profit Motive is a Legitimate and Constitutional Objective of Copyright

Petitioners allege that section 514 is unconstitutional because it confers "private economic benefits," which, in petitioners' view, "is not a legitimate objective of copyright regulation." (Pet. Br. at 49). That position evinces a startling misunderstanding of the purpose of the Copyright Clause.

The Framers clearly believed that the goal of stimulating the dissemination of works could not be accomplished without providing authors with the economic benefits of a limited monopoly. *See* The Federalist No. 43. As the Court explained in *Harper & Row*, "[i]t should not be forgotten that the Framers intended copyright itself to be the engine of free expression. By establishing a marketable right to the use of one's expression, copyright supplies the economic incentive to create and disseminate ideas." *Harper & Row v. Nation Enter., Inc.*, 471 U.S. 539, 558 (1985); *see also Mazer v. Stein*, 347 U.S. 201, 209 (1954) (encouraging effort through personal gain is "the best way" to produce public benefits). *Eldred* makes the relationship between economic benefit to authors and publishers and the promotion of free

expression unequivocally plain:

> [C]opyright law *celebrates* the profit motive, recognizing that the incentive to profit from the exploitation of copyrights will redound to the public benefit by resulting in the proliferation of knowledge....The profit motive is the engine that ensures the progress of science. The assertion that "copyright statutes must serve public, not private, ends"... similarly misses the mark. The two ends are not mutually exclusive; copyright law serves public ends by providing individuals with an incentive to pursue private ones.

537 U.S. at 212 n.18.

2. Worldwide Protections for U.S. Copyrighted Works Are an Important Aspect of Maintaining the Constitutional Incentives

Congress today must think globally if it is to provide adequate protection for the copyrighted works of U.S. authors. As one commentator has noted:

> Works of authorship, whether entertainment, informational products, or functional software, travel around the world easily and appeal to audiences in many countries. When disseminated on the Internet, with or without the owner's consent, their enjoyment cannot be

> confined to a single jurisdiction.... From the perspective of those who write, apply, and enforce copyright law, national laws can no longer be viewed in a vacuum.[31]

For well over a quarter of a century, Congress and successive U.S. Administrations have recognized the strong national interest in protecting U.S. intellectual property abroad, and have pursued a comprehensive policy designed to promote that interest.

In the 1980s, intellectual property protection was identified "as a key issue if not the key issue for U.S. trade and competitiveness in the future."[32] During those years, Congress enacted the Caribbean Basin Economic Recovery Act of 1983,[33] the Generalized System of Preferences Program of 1984,[34] and the 1988 Omnibus Trade and Competitiveness Act,[35] all of which helped protect

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31 Shira Perlmutter, *Eldred v. Ashcroft: Intellectual Property, Congressional Power, and the Constitution: Participation in the International Copyright System as a Means to Promote the Progress of Science and Useful Arts*, 36 Loy. L.A. L. Rev. 323, 325 (2002).

32 *Status of Intellectual Property Protection: Hearing Before the H. Subcomm. on International Economic Policy and Trade of the H. Comm. on Foreign Relations*, 99th Cong. 2d Sess. 2 (1986) (statement of the USTR).

33 Pub. L. No. 98-67, 9 Stat. 369 (codified at 19 U.S.C. §§ 2701-2706); *see id.* at § 2702(b)(2)(A)).

34 Pub. L. No. 98-573, Title V § 503, 98 stat. 3019 (codified at 19 U.S.C. § 2462).

35 Pub. L. No. 100-418, 100 Stat. 110 (codified at 19 U.S.C. § 2242).

the rights of United States intellectual property owners abroad. United States membership in Berne was an essential step in the implementation of this policy, as was inclusion of intellectual property in the General Agreement on Tariffs and Trade, an objective realized in 1994 with the adoption of the Agreement on Trade-Related Aspects of Intellectual Property Rights (TRIPS).[36] The international protection of intellectual property continues to be a cornerstone of U.S. trade and foreign policy.[37] When Congress enacted section 514 in 1994, the interest in protecting the intellectual property of Americans abroad was solidly embedded in U.S. trade policy.

B. The Enactment of Section 514 Helped Advance International Protection for U.S. Copyrighted Works

Congress first considered copyright restoration as it formulated the legislation necessary

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[36] *See* H.R. Rep. No. 100-609, at 19.

[37] The U.S., for example, is party to a number of free trade and other agreements that incorporate and/or expand upon the minimum standards set forth in Berne. *See, e.g.*, Office of the United States Trade Representative, Free Trade Agreements, *available at* http://www.ustr.gov/trade-agreements/free-trade-agreements (listing such agreements with links to their text); WIPO Copyright Treaty, S. Treaty Doc. No. 105-17 (1997) (requiring, *inter alia*, signing parties to adopt legislation that prevents circumvention of technological measures) (implemented in 17 U.S.C. §§ 1201 *et seq.*); WIPO Performances and Phonograms Treaty, S. Treaty Doc. No. 105-17 (1997) (requiring the United States to prevent bootlegging of sound recordings, implemented through 17 U.S.C. § 1101). This priority is also expressed in statutes; *see, e.g.*, 19 U.S.C. § 3802 (b)(4).

to have the United States become a member of Berne.[38] Although the Copyright Office and others stated their belief that Berne required restoration,[39] Congress deferred immediate action on the issue.

The United States revisited the question of compliance with Berne's restoration obligation in 1994, during its consideration of the URAA. Congress received evidence at this time not only that restoration was required by Berne, but also that restoration was necessary in order to achieve adequate international protection for U.S. copyrighted material.

For example, the United States Trade Representative (USTR) testified that Congress's failure to implement restoration in 1989 had hindered the United States' ability to convince other nations to restore protection to the works of United States authors.[40] As a consequence, valuable U.S.

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[38] *See generally* William F. Patry, *Copyright and the GATT: An Interpretation and Legislative History of the Uruguay Round Agreements Act* 26 (1995).

[39] At hearings on the initial Berne implementing legislation, the Copyright Office advised Congress that, on its face, Article 18 of Berne "appears to require some recapture" of works improperly forfeited to the public domain. Patry, at 27. A panel of European experts contacted by the House Subcommittee unanimously reported that, in their view, Article 18 required the United States to enact remedial legislation that restored copyright to works forfeited to the public domain for reasons other than the expiration of term. *See id.* at 27-28.

[40] *See General Agreement on Tariffs and Trade (GATT): Intellectual Property Provisions: Joint Hearing on H.R. 4894 and S. 2368 Before the Subcomm. on Intellectual Property and Judicial Administration of the House Comm. on the Judiciary*

works would continue to be exploited in other countries without permission or payment to the U.S. rights-holder.[41] Congress also received testimony that restoration legislation was necessary if the U.S. were to play a leading role in international intellectual property and trade matters.[42]

When the United States joined Berne in 1989, Berne lacked any effective mechanism to enforce compliance with its restoration obligation. The Trade Related Aspects of Intellectual Property Rights (TRIPS) put those enforcement tools in place.[43] Article 9 of TRIPS, which was agreed to at the Uruguay Round, requires signatories to comply with Article 18 of Berne and authorizes trade sanctions for violation of that obligation. *See generally* 4 M. Nimmer & D. Nimmer, Nimmer on Copyright § 18.06 [B][3][a] at 18-70 to 18-77. The chance of the U.S. prevailing if it were to be challenged under TRIPS for its failure to restore copyright was uncertain at best.[44]

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and the Subcomm. on Patents, Copyrights, and Trademarks of the S. Comm. on the Judiciary, 103d Cong., 2d Sess. 137 (1994) (statement of Ira Shapiro, General Counsel, USTR) (testifying that "Thailand and Russia refused to protect U.S. works in the public domain in their territory citing the U.S. interpretation of Berne Article 18 as justification") (hereinafter *Joint Hearing*).

41 *See Joint Hearing*, at 246.

42 *See Joint Hearing*, at 131 (statement of USTR) ("[A]s the world leader, it is critically important that we implement fully in the retroactivity area.").

43 *See* TRIPS, art. 64.

44 *See Joint Hearing*, at 131, 241.

Prior to the enactment of section 514, Congress also received substantial testimony that vast numbers of U.S. works that were still in copyright in the United States were unable to be protected internationally.[45] The failures of the United States to restore copyright to foreign works in compliance with Berne had resulted in other nations refusing to restore copyright in U.S. works, leading to billions of dollars of losses.[46]

Predictions that enactment of section 514 would help gain protection for American authors in foreign nations and avoid litigation before the World Trade Organization have turned out to be prescient. For example, at the time the new WTO enforcement mechanisms became available, sound recordings of American music fixed prior to 1971—Elvis Presley, Bob Dylan and Duke Ellington recordings, for example–could be and were widely sold in Japan with legal impunity. *See* Note: *Retroactive Protection and Shame Diplomacy in the U.S.-Japan Sound Recording Dispute, or, How Japan Got Berne-d*, 4 Minn. Intell. Prop. Rev. 183, 184-85 (2002). After the enactment of section 514, the U.S. was able to threaten to seek trade sanctions against Japan. *See id.* at 192-93 and nn. 89-90. As a result, Japan enacted restoration provisions that granted pre-1971 sound recordings of foreign authors, including those of U.S. origin. (*See* J.A. 103-106).

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45 *See id.* at 248 (IIPA); *id.* at 81 (statement of Senator DeConcini, Committee Chairman); *id.* at 12 (Patent and Trademark Office); *id.* at 138 (USTR).

46 *See id.* at 246.

Similarly, during the 1994 joint hearing, members were told that the Russian government had made clear that it would provide retroactive protection only if the U.S. reciprocated with retroactive protection for Russian works. *Joint Hearing*, at 249. Russia subsequently amended its law, but only *after* section 514 was enacted. *See* Federal Law of the Russian Federation on Copyright and Neighboring Rights No. 5351-1 of 1993 (with the Additions and Amendments of 1995 and 2004), art. 5 (GARANT 10001423).

IV. Section 514 Does Not Burden More Speech than Necessary in Complying With Berne and Protecting American Interests Abroad

Whether Section 514 would satisfy intermediate First Amendment scrutiny, were that test to be applied in this case, depends upon (1) whether the restoration of copyright accomplished by section 514 serves important governmental interests, and (2) whether the statute burdens more speech than necessary in order to serve those interests. As we have just explained, the restoration of copyright accomplished by section 514 permits the United States to comply with, and to continue to be a member of, the Berne Convention, and also serves the United States' interest in facilitating international commerce in American intellectual property. Those are important governmental interests. Section 514 clearly does not burden more speech than it was necessary to burden in order to serve those interests.

In considering whether section 514 is a sufficiently narrowly-tailored means of responding to the United States' Berne restoration obligation, it is important at the outset to recognize the substantially limited nature of the copyright restoration that section 514 authorizes:

- Section 514 restoration applies only to copyrights in works of foreign origin that did not enjoy U.S. copyright protection prior to restoration for one of three particular reasons –failure to comply with now-discarded statutory formalities, lack of a copyright relationship between the United States and the country of origin of the restored work, and absence of subject matter protection for pre-1972 sound recordings. 17 U.S.C. § 104A (h)(6).

- Section 514 does not restore the copyright in any works of U.S. origin and, even where foreign works are concerned, it does not restore copyrights that were lost for any reason other than the three reasons that are specified in the statute. *Id.*

- Section 514 restores copyright only to foreign works that are still under copyright protection in their source country and that restoration lasts only until the end of their U.S. copyright term. *Id.* § § 104A(n)(6)(B),(a)(1)(B).

- Section 514 restored copyrights do not enjoy a full term of U.S. copyright protection, but only the portion of that term that remains after

restoration becomes effective. *Id.*

- Restored copyrights are entirely prospective in operation–they give the restored copyright holder no rights whatsoever with respect to uses that may have been made of the copyrighted work before restoration became effective. *Id.* § 104A(d)(1).

- Restored copyrights must respect all of the First Amendment safeguards that generally limit copyright protection, as well as all of the copyright law's exceptions and limitations found in the Copyright Act. *See* 17 U.S.C. §§ 108-122. Copyright, for example, is restored by section 514 only with regard to an author's expression, not the ideas contained in that expression, and the range of fair uses permitted by U.S. copyright law is fully available to those who want to use the restored works.

In considering whether section 514 burdens more speech than necessary within this limited area, it is useful to distinguish among the different groups of post-restoration users whose activities are limited by the enactment of section 514. The most populous of these groups is a group comprised of post-restoration users of restored works who, unlike the petitioners in this case, made no use of the restored work prior to restoration of the copyright in that work. These are users who took no advantage of the "public domain" status of the restored work prior to restoration. Section 514 makes these post-restoration users fully subject to the restored

copyright. *See* 17 U.S.C. § 104A(d)(1).

Berne requires that result. It requires signatories to provide copyright protection to "all works which, at the time of [the Convention's] coming into force, have not yet fallen into the public domain in the country of origin through the expiry of the term of protection." Berne, art. 18(1). Berne permits exceptions to be made to that obligation only for so-called "reliance parties"—post-restoration users who, prior to restoration, engaged in activities "in good faith in reliance on [the fact that] these [restored] works were in the public domain and could be used freely" during that pre-restoration period. 1 Ricketson and Ginsburg, at 332; *see also* Berne, art. 18(3). For this limited purpose, Article 18(3) permits each Berne member to "determine, ... so far as it is concerned, the conditions of application of [the restoration] principle." The purpose of this provision is to enable Berne members to avoid unfairly penalizing reliance parties. Berne member nations implemented this transitional authority to accommodate such reliance parties in different ways. *See Golan*, 609 F.3d at 1092-93.

Section 514 is unquestionably narrowly tailored with respect to non-reliance parties who did not use restored works prior to restoration. Berne *requires* that they be subjected to copyright restoration. If parties who did not use restored works prior to restoration were exempted from section 514 restoration, copyright restoration would have no effect and the United States would patently be out of compliance with Berne.

These non-reliance parties may have been, and in most cases probably were, completely unaware, prior to restoration, of the copyright status of the work they want to use. Subjecting them to restored copyrights raises no conceivable First Amendment concerns. Restoration puts them in exactly the same position in which they would have been had the restored work they want to use been protected by copyright from the outset. The First Amendment surely gives them no constitutional right to profit from a copyright forfeiture—a forfeiture of which they were unaware, that was caused by the failure of a foreign author to comply with copyright formalities that Congress need not have imposed, and that Congress now wants to eliminate from U.S. copyright law.

A second group of post-restoration users is comprised of those who used the restored work prior to the restoration of its copyright, but who made no investment in that use that would make it unfair to subject them now to the renewed copyright, as if they had not used the work prior to restoration. These are users who, for example, might be a weekly television talk show host that plays the same recorded score in his opening montage.

Section 514 treats these users as "reliance parties," and gives them rights that are not available to non-reliance parties. *See* 17 U.S.C. § 104A (d)(4). They may continue their uses unless and until the owner of the restored copyright serves them with notice. This notice could have been given constructively by the owner filing notice of intent in the Copyright Office during a two-year window that

closed in most instances in 1998. *Id.* § (d)(2)(A). A particular reliance party may also be served with actual notice of the owner's intent to enforce the copyright. *Id.* § (d)(2)(B).

Only roughly 50,000 constructive notices were filed with the Copyright Office (U.S. Opposition to Pet. at 54), a miniscule fraction of the "millions" of affected works about which petitioners complain. (Pet. Br. i, 10, 25, 40, 61). The presence of this notice requirement in section 514 will undoubtedly permit unimpeded post-restoration use of restored works by a significant percentage—in *amici*'s view, a very substantial majority—of pre-restoration users. *See* 17 U.S.C. § 104A(h)(4)(B).

Some pre-restoration users made an investment in their pre-restoration use—an investment on which they may not yet have had an opportunity to obtain a fair return. This group would include a publisher who, at the time of restoration, had unsold copies of a book that were printed prior to the restoration of copyright. It might also include a theater company that had invested, before restoration, in a production of a play that had begun performance just prior to restoration, or a symphony orchestra that had purchased musical scores that it regularly used consistently just before restoration and planned on continuing to use.

Many of the petitioners fall into this category of reliance parties. If constructive notice was not given during the two-year period and if no actual notice is given to them prior to the intended post-restoration use, these reliance parties will be

completely unaffected by copyright's restoration. And, as is true for all pre-restoration users, even if notice is effectively given, these post-restoration users have one year to sell off any existing stock, or to give certain performances. Liability for any breaches of contract or warranty that may have arisen is expressly voided. *Id.* § 104A(f). At the end of the period these reliance parties become subject to the restored copyright, in common with all other post-restoration users.

Some pre-restoration users created a derivative work that they wish to continue to exploit after restoration. Congress was aware of the special situation of these users, *see Joint Hearing*, at 209-210 (statement of Shira Perlmutter), and it included provisions in the legislation designed to protect them. Even if notice by the restored copyright owner is given, section 514 permits no interference with the derivative work's exploitation if the reliance party pays "reasonable compensation" to the copyright owner. *Id.* § 104A(d)(3). If no agreement is reached on a reasonable compensation amount, the amount is to be judicially determined, taking into account both the effect that exploitation of the derivative work would have on the market for the restored work and the relative contributions to the value of the derivative work that have been made by the reliance party and the author of the restored work. *See id.*

These limited restrictions on the uses that may be made of restored works place reliance parties in a position that is at least as good as, and often better than the position they would have occupied

had the copyright not been lost because of the complication of prior, and now discarded, provisions of the U.S. copyright law. It is evident that section 514 has tried to balance the legitimate interests of those who, in good faith, may have used restored works prior to restoration, against Berne's restoration requirement. That is exactly what Berne demands.

If the United States were to exempt reliance parties from the restored copyrights beyond what is necessary to achieve fair treatment for them, that would give those parties a windfall benefit at the expense of foreign authors. Overuse of the authority to exempt reliance parties would also be a violation in the eyes of other Berne countries. It would, moreover, expose the United States to trade sanctions pursuant to international trade agreements in which the United States needs to participate so that American businesses can compete successfully in international markets. So long as section 514 exempts reliance parties from copyright liability only when that is necessary to insure that they are not unfairly penalized for their good-faith pre-restoration use of restored works, it strikes a reasonable balance between the competing interests and does not burden more speech than necessary in order to comply with its international obligations.

Petitioners, however, would have the Court hold that reliance parties are constitutionally entitled to be free from compliance with restored copyrights even when that is not necessary to ensure their fair treatment in light of their pre-restoration use. Petitioners thus contend that they have a right,

not only to a fair return on their pre-restoration good-faith reliance, but to an advantage over all other American users of the restored works, who will be fully subject to the restored copyrights. The First Amendment does not entitle reliance parties to that unjustifiable preference. International copyright relationships, moreover, are reciprocal relationships. If section 514 contained the blanket exception for reliance parties that petitioners seek, other countries will be inclined to reward their reliance parties with similar blanket exemptions. The result would be devastating for the U.S. authors and copyright proprietors who would be unable to prevent continuing unauthorized exploitation of valuable works such as large catalogs of recordings by popular artists such as Elvis Presley, catalogs of works of fiction by the likes of Philip Roth and Stephen King, and motion pictures such as The Godfather.

In enacting section 514, Congress chose to give the foreign owners of restored copyrights the same rights that U.S. trade policy seeks to secure for U.S. authors in other countries—the right to enforce restored copyrights except in situations where that would unfairly penalize good-faith pre-restoration reliance. The First Amendment should not be used to prohibit Congress from adopting that thoroughly balanced approach to the task of conforming U.S. copyright law to our international obligations.

V. Conclusion

For the foregoing reasons, the judgment of the court of appeals should be affirmed.

Respectfully submitted,

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AMICUS CURIAE BRIEF

No. 10-545

In the

Supreme Court of the United States

LAWRENCE GOLAN, ET AL., *Petitioners*,

v.

ERIC H. HOLDER, JR., ATTORNEY GENERAL, ET AL.,

Respondents.

On Writ of Certiorari to the United States Court of Appeals for the Tenth Circuit

BRIEF OF *AMICUS CURIAE* THE CATO INSTITUTE IN SUPPORT OF PETITIONER

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QUESTION PRESENTED

Whether Congress exceeded its enumerated powers by restoring copyright protections to certain works that were previously in the public domain, pursuant to a treaty.

TABLE OF CONTENTS

TABLE OF AUTHORITIES iv

INTEREST OF *AMICUS CURIAE* 1

SUMMARY OF ARGUMENT 1

ARGUMENT 3

I. Congress's Power to Implement Treaties Is at Issue Here Because It Cannot Be Disaggregated from the Copyright Clause and First Amendment Issues. 3

II. Treaties Cannot Increase Congress's Legislative Power 6

A. The President Cannot, by Entering Into a Treaty, Thereby Increase Congress's Power Under the Necessary and Proper Clause. 7

1. The "Power . . . to make Treaties" is distinct from the power to execute treaties already made. 8

2. The speculative prospect of foreign reciprocation cannot render a statute "necessary and proper." 11

B. Congress's Legislative Power Can Be Increased Only by Constitutional Amendment, Not by Treaty 12

1. Congress only possesses the "legislative powers herein granted." 14

2. *Missouri v. Holland* enables the circumvention of Article V. 20

C. Either the President or a Foreign Government Can Unilaterally Abrogate a Treaty—But Neither the President Nor a Foreign

Government Can Thus Decrease Congress's Power and Render U.S. Laws Unconstitutional 22

III. The Most Influential Argument Supporting *Missouri v. Holland* Is Based on a Misreading of Constitutional History 26

IV. *Missouri v. Holland* is a Structural and Doctrinal Anomaly 29

A. *Missouri v. Holland* Is in Tension with *Reid v. Covert* 29

B. *Missouri v. Holland* Creates Doubly Perverse Incentives—Incentives for More International Entanglements, Which in Turn Increase Legislative Power 30

C. *Missouri v. Holland* Should Not Be Sustained on *Stare Decisis* Grounds 32

CONCLUSION 35

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INTEREST OF *AMICUS CURIAE*[1]

The Cato Institute was established in 1977 as a nonpartisan public policy research foundation dedicated to advancing the principles of individual liberty, free markets, and limited government. Cato's Center for Constitutional Studies was established in 1989 to promote the principles of limited constitutional government that are the foundation of liberty. Toward those ends, Cato publishes books and studies, conducts conferences, produces the annual *Cato Supreme Court Review*, and files amicus briefs. The present case centrally concerns Cato because it represents an opportunity to clarify the limits that the Constitution places on federal power.

SUMMARY OF ARGUMENT

The parties have presented the question of whether Congress exceeded its power under the Copyright Clause and/or violated the First Amendment by enacting Section 514 of the Uruguay Round Agreements Act (URAA), Pub. L. No. 103-465, 108 Stat. 4976. These issues are inextricably linked with a more fundamental issue: the scope of Congress's power to legislate pursuant to treaty. In the courts below, the government expressly relied upon Congress's purported freestanding power to execute trea-

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[1] Pursuant to this Court's Rule 37.3(a), all parties have consented to the filing of this brief by filing a blanket consent with the Court. Pursuant to Rule 37.6, *amicus* affirms that no counsel for any party authored this brief in any manner, and no counsel or party made a monetary contribution in order to fund the preparation or submission of this brief. No person other than *amicus*, its members, or its counsel made a monetary contribution to the preparation or submission of this brief.

ties. And the Tenth Circuit's analysis was driven, in large part, by the fact that the statute at issue was enacted to execute a treaty.

In *Missouri v. Holland*, 252 U.S. 416 (1920), this Court held that if a treaty commits the United States to enact some legislation, then Congress automatically obtains the power to enact that legislation, even if such power was otherwise absent. It held, in other words, that Congress's powers are not constitutionally fixed, but rather may be expanded by treaty.

Justice Holmes provided neither reasoning nor citation for the proposition that treaties may expand legislative power. The proposition appears in one conclusory sentence, in a five-page opinion that is primarily dedicated to a different question. And the Court has never elaborated. The most influential argument on the point, which has largely short-circuited jurisprudential debate, appears not in the United States Reports but in the leading foreign affairs treatise. But recent scholarship has shown that the premise of this argument is simply false.

The proposition that treaties can increase the power of Congress is inconsistent with the text of the Treaty Clause and the Necessary and Proper Clause. It is inconsistent with the fundamental structural principle that "[t]he powers of the legislature are defined, and limited." *Marbury v. Madison*, 5 U.S. (1 Cranch) 137, 176 (1803). It implies, insidiously, that that the President and the Senate can increase their own power by treaty. (And it implies, bizarrely, that the President alone—or a foreign government alone—can decrease Congress's power and render statutes unconstitutional.) In short, it creates a

doubly perverse incentive—to enter into treaties simply to increase legislative power.

Missouri v. Holland is inconsistent with constitutional text and structure, and the one historical argument advanced in its favor is based on scholarly error. On the question of legislative power pursuant to treaty, the case is wrong and should be overruled. The Court should hold that treaties, here and generally, did not and cannot vest Congress with additional legislative power.

ARGUMENT

I. CONGRESS'S POWER TO IMPLEMENT TREATIES IS AT ISSUE HERE BECAUSE IT CANNOT BE DISAGGREGATED FROM THE COPYRIGHT CLAUSE AND FIRST AMENDMENT ISSUES

This case arrives at the Court in a somewhat artificial posture. In this Court, the parties have framed the question presented as whether Congress exceeded its power and/or violated the First Amendment by enacting Section 514. But one need look no further than the name of the statute at issue—"The Uruguay Round Agreements Act"—to know that Congress enacted the statute not as a freestanding implementation of domestic copyright policy, but *for the express purpose of implementing a treaty*. In this case, the Copyright Clause question and the First Amendment question are inextricably tied to the question of Congress's power to implement treaties.

Supreme Court Rule 14.1 provides that "[t]he statement of any question presented is deemed to

comprise every subsidiary question fairly included therein." As this Court explained, any issue that is "intimately bound up," *Kolstad v. American Dental Ass'n*, 527 U.S. 526, 540 (1999), "essential to analysis," *Procunier v. Navarette*, 434 U.S. 555, 559 n.6 (1978), or "inextricably linked," *City of Sherrill, N.Y. v. Oneida Nation of N.Y.*, 544 U.S. 197, 214 n.8 (2005), with the questions presented are thus appropriate for resolution. In this case, both the Copyright Clause and First Amendment issues are inextricably linked to Congress's power to implement treaties.

In the courts below, the government expressly argued that, regardless of the scope of Congress's ordinary powers, Congress can automatically implement treaties. It argued, in other words, that treaties can, and did, increase congressional power. See Gov't's Mot. Summ. J,, 32-34, Jun. 21, 2004; Gov't's Reply in supp. Mot. Summ. J., 26-29, Nov. 24, 2004. In the Tenth Circuit, the government dropped a footnote to preserve the argument, Brief for Appellees at 56 n.23 *Golan v. Gonzales*, 501 F.3d 1179 (10th Cir. 2007) (No. 05-1259), 2005 WL 6148019, and the International Coalition for Copyright Protection (ICCP), as amicus, pressed the point at length. See Brief of Int'l Coal. for Copyright Protection as Amicus Curiae Supporting Appellees at 16-21, *Golan v. Gonzales*, 501 F.3d 1179 (10th Cir. 2007) (No. 05-1259), 2005 WL 6148018. The Tenth Circuit did not rest on these grounds, stating (incorrectly) that the argument was "not mentioned by the parties," *Golan v. Gonzales*, 501 F.3d 1179, 1196 n.5 (10th Cir. 2007), but nevertheless the court did flag the issue: "Congress's treaty . . . power[] may provide Congress with the authority to enact § 514." *Id.*

The point is not just that the treaty power might be an additional power on which the government could—and did—rely. It is that the scope of the treaty-implementation power cannot be disaggregated from the Copyright Clause or First Amendment issues. The Berne Convention for the Protection of Literary and Artistic Works (Berne Convention), *concluded* July 24, 1971, S. Treaty Doc. No. 27, 99th Cong., 2d Sess. (1986), 1161 U.N.T.S. 3, and its requirements are plainly central to the analysis of both the Copyright Clause and First Amendment issues. The government argues that the URAA was a rational exercise of the copyright power *precisely because it implements the Berne Convention*, and it insists that the Act should survive First Amendment scrutiny *precisely because it is required by treaty*.

Moreover, the scope of Congress's power to implement treaties is a pure question of law that turns largely on the vitality of *Missouri v. Holland*. Since lower courts are, of course, bound by that case, there is little to be gained by remanding on this issue and allowing it to percolate further. Only this Court can give proper guidance on the issue, which is an increasingly important one in light of the dramatic expansion of America's treaty commitments. See Curtis A. Bradley, *The Treaty Power and American Federalism*, 97 Mich. L. Rev. 390, 396 (1988) ("During the latter part of [the twentieth] century ...there has been a proliferation of treaties."). And it is "fairly included" within the questions presented here. This Court should hold that treaties cannot vest Congress with new legislative power.

II. TREATIES CANNOT INCREASE CONGRESS'S LEGISLATIVE POWER[2]

This case thus presents the question of whether a treaty may increase Congress's power. In 1920, this Court seemed to answer that question with a single sentence: "If the treaty is valid, there can be no dispute about the validity of the [implementing] statute under Article I, § 8, as a necessary and proper means to execute the powers of government." *Missouri v. Holland*, 252 U.S. at 432. On its face, this sentence means that if a treaty commits the United States to enact some legislation, then Congress automatically obtains the power to enact that legislation, even if it would lack such power in the absence of the treaty. Read literally, the sentence implies that Congress's powers are not constitutionally fixed, but rather may be expanded by treaty. And if the conventional wisdom is correct that there are no subject-matter limitations on the scope of the treaty power, see Restatement (Third) of the Foreign Relations Law of the United States § 302 cmt. c (1987), then it would follow from *Missouri v. Holland* that treaties may increase congressional power virtually without limit.

Justice Holmes provided neither reasoning nor citation for that proposition. Indeed, the entire opinion takes up all of five pages in the United States Reports. Yet that one conclusory sentence has the radical implication that Congress's legislative power can be increased, not only by constitutional amendment, but also by treaty. That idea is in deep tension with constitutional text, history, and structure, and with

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[2] The arguments that follow are developed more comprehensively in Nicholas Quinn Rosenkranz, *Executing the Treaty Power*, 118 Harv. L. Rev. 1867 (2005).

the fundamental principle of limited and enumerated legislative powers. The Court should clarify that this sentence cannot mean what it seems to say.

A. The President Cannot, by Entering into a Treaty, Thereby Increase Congress's Power under the Necessary and Proper Clause

The treaty issue here turns on the relationship between the Necessary and Proper Clause and the Treaty Clause. The first step is to understand how these clauses fit together. Article I provides:

> The Congress shall have Power . . . To make all Laws which shall be necessary and proper for carrying into Execution the foregoing Powers, and all other Powers vested by this Constitution in the Government of the United States, or in any Department or Officer thereof.

U.S. Const. art. I, § 8.

The Treaty Clause provides:

> [The President] shall have Power, by and with the Advice and Consent of the Senate, to make Treaties, provided two thirds of the Senators present concur.

U.S. Const. art. II, § 2, cl. 2. By echoing the word "Power," the Treaty Clause leaves no doubt: the treaty power is an "other Power[]" referred to in the Necessary and Proper Clause.

That much is implicit in *Missouri v. Holland*, although Justice Holmes did not quote either clause, let alone discuss how they fit together. Indeed, the phrase "necessary and proper" and the phrase "to

make treaties" *never appear in the same sentence in the United States Reports*. But the conjunction of the two clauses is essential to analyzing whether a treaty may increase congressional power. Here, then, is the way that these two clauses fit together as a matter of grammar:

> The Congress shall have Power . . . To make all Laws which shall be necessary and proper for carrying into Execution . . . [the President's] Power, by and with the Advice and Consent of the Senate, to make Treaties.

U.S. Const. art. I, § 8, art. II, § 2.

By neglecting to quote and conjoin these two clauses, Justice Holmes misconstrued the scope of this power.

1. The "Power . . . to make Treaties" is distinct from the power to execute treaties already made.

For the purpose of this inquiry, the key term is the infinitive verb "to make." The power granted to Congress is emphatically not the power to make laws for carrying into execution "the treaty power," let alone the power to make laws for carrying into execution "all treaties." Rather, on the face of the conjoined text, Congress has power "To make all Laws which shall be necessary and proper for carrying into Execution . . . [the] Power . . . *to make* Treaties."

This power would certainly extend to laws appropriating money for the negotiation of treaties. As Rep. James Hillhouse explained in the House of Representatives, "the President has the power of sending Ambassadors or Ministers to foreign nations to nego-

tiate Treaties . . . [but] it is . . . clear that if no money is appropriated for that purpose, he cannot exercise the power." 5 Annals of Cong. 673-74 (1796). And this power would likewise embrace any other laws necessary and proper to ensuring the wise use of the power to enter treaties. These might include, for example, appropriations for research into the economic or geopolitical wisdom of a particular treaty. See David E. Engdahl, *The Necessary and Proper Clause as an Intrinsic Restraint on Federal Lawmaking Power*, 22 Harv. J.L. & Pub. Pol'y 107, 107 (1998) ("[T]he Necessary and Proper Clause enables Congress to create offices and departments to help the President carry out his Article II powers.").

But on the plain text of the conjoined clauses, the object itself is limited to the "Power . . . to *make* Treaties" in the first place. This is not the power to implement treaties already made.

Nor will it do to say that the phrase "make Treaties" is a term of art meaning "conclude treaties with foreign nations and then give them domestic legal effect." There is no indication that that the phrase "make Treaties" had such a meaning at the Founding. British treaties at that time were non-self-executing, requiring an act of Parliament to create enforceable domestic law, see Carlos Manuel Vazquez, *Laughing at Treaties*, 99 Colum. L. Rev. 2154, 2158 (1999) ("[T]reaties in Great Britain lacked the force of domestic law unless implemented by Parliament."), and yet Blackstone wrote simply of "the *king's* prerogative *to make treaties*," without any suggestion that Parliament had a role in the making. 1 William Blackstone, *Commentaries* *249 (emphases added); see also *id.* at *243 ("[T]he king . . . may

make what treaties . . . he pleases." (emphasis added)); *id.* at *244 ("[T]he king may *make* a treaty." (emphasis added)). Blackstone understood the difference between *making* a treaty, which the King could do, and giving it domestic legal effect, which required an act of Parliament. The "Power . . . to make Treaties" is exhausted once a treaty is ratified; implementation is something else altogether.

This Court saw that textual point clearly when construing a statute with similar language. In *Patterson v. McLean Credit Union*, 491 U.S. 164 (1989), the Court construed a statute regarding the "right . . . to make . . . contracts." *Id.* at 176 (alterations in original) (quoting 42 U.S.C. § 1981 (1988) (current version at 42 U.S.C. § 1981(a) (2000)) (internal quotation mark omitted). This statutory phrase is textually and conceptually parallel to the constitutional "Power . . . to make Treaties" both because of the key infinitive verb "to make" and because, as Chief Justice Marshall explained, a non-self-executing treaty is itself like a contract. See *Foster v. Neilson*, 27 U.S. (2 Pet.) 253, 314 (1829) ("[W]hen the terms of the stipulation import a contract, when either of the parties engages to perform a particular act, the treaty addresses itself to the political, not the judicial department; and the legislature must execute the contract before it can become a rule for the court."). This is what the Court said in *Patterson*:

> [T]he right to *make* contracts does not extend, as a matter of either logic or semantics, to conduct . . . *after* the contract relation has been established, including breach of the terms of the contract . . . . Such *postformation* conduct does not involve the right to *make* a

> contract, but rather implicates the *performance* of established contract obligations . . . .

Patterson, 491 U.S. at 177 (emphases added). Just so here. The "Power . . . to make Treaties" does not extend, as a matter of logic or semantics, to the implementation of treaties already made.

The URAA may or may not have been necessary to *implement* the Berne Convention, but it was certainly neither necessary nor proper to *make* the Berne Convention. And so the Berne Convention did not, and could not, confer power on Congress to enact the URAA.

2. The speculative prospect of foreign reciprocation cannot render a statute "necessary and proper."

One might be tempted to say that a law implementing a treaty already made is necessary and proper for carrying into execution the power to make treaties, because such a law might make it easier for the President "to make" the *next* treaty, by showing prospective treaty partners that the United States has power to perform its treaty obligations.

This argument must fail, because it proves far too much. The strongest facts for this theory would be a situation in which a prospective treaty partner explicitly conditions treaty negotiations on some legislation beyond the enumerated powers of Congress. One could imagine, for example, France declaring that it will not enter into any treaty negotiations whatsoever with the United States until Congress forbids guns near schools, despite *United States v. Lopez*, 514 U.S. 549 (1995). Clearly, under these circumstances, the President's "Power . . . to make

Treaties" with France would be enhanced by the Gun-Free School Zones Act. 18 U.S.C. § 922(q). But surely such a naked demand for legislation by a foreign country cannot be enough to render such legislation necessary and proper. The mere desire of a prospective treaty partner for certain legislation—even if the desire is framed as an express demand or condition—cannot suffice to bring such legislation within the legislative power. *A fortiori*, the speculative prospect that some treaty partners might be more amenable to negotiation if Congress had certain power cannot suffice to give Congress that power. And likewise, the mere speculative prospect that some treaty partners might treat American copyright holders more favorably cannot increase Congress's copyright power.

B. Congress's Legislative Power Can Be Increased Only by Constitutional Amendment, Not by Treaty

Under *Missouri v. Holland*, some statutes are beyond Congress's power to enact absent a treaty, but within Congress's power given a treaty. This implication runs counter to the textual and structural logic of the Constitution.

First, and most important, it means that Congress's powers are not constitutionally fixed, but rather may be increased by treaty. Under *Missouri v. Holland*, "[non-self-executing] treaties provide Congress with a new basis for subject-matter jurisdiction over the areas covered in the treaties." David Golove, *Human Rights Treaties and the U.S. Constitution*, 52 DePaul L. Rev. 579, 590 n.38 (2002); see also 1 Laurence H. Tribe, *American Constitutional Law*, § 4-4, 645-46 (3d ed. 2000) ("By negotiating a treaty and

obtaining the requisite consent of the Senate, the President . . . may endow Congress with a source of legislative authority independent of the powers enumerated in Article I."). Thus, the possible subject matter for legislation is not limited to the subjects enumerated in the Constitution. It extends instead to those subjects, plus any others that may be addressed by treaty. And according to the Restatement (Third) of the Foreign Relations Law of the United States:

> [T]he Constitution does not require that an international agreement deal only with "matters of international concern." The references in the Constitution presumably incorporate the concept of treaty and of other agreements in international law. International law *knows no limitations on the purpose or subject matter of international agreements*, other than that they may not conflict with a peremptory norm of international law. States may enter into an agreement on *any matter of concern to them*, and international law does not look behind their motives or purposes in doing so. Thus, the United States may make an agreement on *any subject suggested by its national interests* in relations with other nations.

Restatement § 302 cmt. c (emphases added) (citation omitted).

If this is so, then the legislative powers are not merely *somewhat* expandable by treaty; they are expandable *virtually without limit*. In theory, the United States might, ostensibly to foster better relations with another country, simply exchange reciprocal promises to regulate the citizenry so as to maxi-

mize the collective welfare. Under *Missouri v. Holland*, such a treaty would confer upon Congress plenary power.

That proposition is, of course, in deep tension with the basic constitutional scheme of enumerated powers, and it stands contradicted by countless canonical statements that Congress's powers are fixed and defined. Eleven years ago, Chief Justice Rehnquist wrote for the Court that "Congress' regulatory authority is not without effective bounds." *United States v. Morrison*, 529 U.S. 598, 608 (2000); see also *Printz v. United States*, 521 U.S. 898, 919 (1997) ("[T]he Constitution[] confer[s] upon Congress . . . not all governmental powers, but only discrete, enumerated ones . . . ."). But it was Chief Justice Marshall, almost two centuries before, who explained why in the clearest terms: "enumeration presupposes something not enumerated," *Gibbons v. Ogden*, 22 U.S. (9 Wheat.) 1, 195 (1824), or more emphatically, "[t]he powers of the legislature are *defined, and limited;* and that those limits may not be mistaken, or forgotten, the constitution is written." *Marbury v. Madison*, 5 U.S. (1 Cranch) 137, 176 (1803) (emphasis added). These propositions are flatly inconsistent with *Missouri v. Holland*.

1. Congress only possesses the "legislative powers herein granted."

Chief Justice Marshall's view is reinforced by the juxtaposition of the three Vesting Clauses. Article I, Section 1, provides: "*All* legislative Powers *herein granted* shall be vested in a Congress of the United States." (emphases added). By contrast, Article II, Section 1, provides that "*[t]he* executive Power shall be vested in a President of the United States of

America," (emphasis added), and Article III, Section 1, provides that "*[t]he* judicial Power of the United States, shall be vested in one supreme Court, and in such inferior Courts as the Congress may from time to time ordain and establish." (emphasis added).

There is a simple explanation for this difference in the Vesting Clauses. Congress is the first mover in the mechanism of U.S. law. It "*make[s]* . . . Laws." U.S. Const. art. I, § 8, cl. 18 (emphasis added). By contrast, the executive branch subsequently "execute[s]" the laws made by Congress, see U.S. Const. art. II, § 3, and the judicial branch interprets those laws. The scope of the executive and judicial power, therefore, is *contingent* on acts of Congress. For example, the Constitution provides that the President "shall take Care that the Laws be faithfully executed." U.S. Const. art. II, § 3. By passing a new statute, therefore, Congress expands the President's powers by giving him a new law to execute. This structural fact explains the difference in phrasing between the first sentence of Article I and the first sentence of Article II. Vesting in the President only the executive power "herein granted" would have confused matters, because some executive powers are, in a sense, granted not by the Constitution but by acts of Congress. As Justice Jackson explained, "[w]hen the President acts pursuant to an express or implied authorization of Congress, his authority is at its maximum, for it includes all that he possesses in his own right *plus all that Congress can delegate*." *Youngstown Sheet & Tube Co. v. Sawyer*, 343 U.S. 579, 635 (1952) (Jackson, J., concurring) (emphasis added).

In other words, the subject-matter jurisdiction of the executive power can be expanded by acts of Congress; it is not fixed by the Constitution. By contrast, the scope of the legislative power is not contingent on the acts of the other branches. It is fixed and defined by the Constitution. See *Marbury*, 5 U.S. (1 Cranch) at 176 ("[t]he powers of the legislature are defined, and limited; and that those limits may not be mistaken, or forgotten, the constitution is written."). Congress has the enumerated powers "herein granted" and no others. See *Lopez*, 514 U.S. at 592 (Thomas, J., concurring) ("Even before the passage of the Tenth Amendment, it was apparent that Congress would possess only those powers 'herein granted' by the rest of the Constitution.").

But if the legislative power may be expanded by treaty, then the textual difference between Article I and Articles II and III would make no sense; the subject-matter jurisdiction of the legislative power, like the executive and judicial powers, would not be fixed and limited to those powers "herein granted," but would be expandable by the President and the Senate by treaty, just as the executive and judicial power can be expanded by act of Congress.

Indeed, Article III is even more telling. It provides that the judicial power shall "extend" to certain sorts of cases and controversies. See U.S. Const. art. III, § 2, cl. 1. The verb "to extend" suggests today just what it signified in 1789: stretching, enlarging. See, e.g., Samuel Johnson, *A Dictionary of the English Language* (London, W. Strahan et al., 4th ed. 1773) ("To EXTEND . . . 1. *To stretch out* towards any part. . . . 5. *To enlarge;* to continue. . . . 6. To encrease in force or duration. . . . 7. To enlarge the comprehen-

sion of any position. . . . 9. To seize by a course of law." (emphases added)). And as Article III provides, "[t]he judicial Power shall *extend* to all Cases, in Law and Equity, arising under this Constitution, [and] *the Laws of the United States*." U.S. Const. art. III, § 2, cl. 1 (emphases added). Thus, the scope of the judicial power—like the scope of the executive power, but unlike the scope of the legislative power—is not entirely fixed by the Constitution but may be enlarged by acts of Congress. Therefore, it would not have made sense to vest in the judiciary only the judicial powers "herein granted." A new federal law can give the judiciary something new to do, thus expanding its power.

Even more to the point, "[t]he judicial Power shall *extend* to all Cases, in Law and Equity, arising under this Constitution, the Laws of the United States, *and Treaties made, or which shall be made, under their Authority*." *Id.* (emphases added). This clause expressly provides that the scope of the judicial power may be expanded not only by statute but also by treaty. A new treaty, like a new statute, gives the judiciary something new to do, thus expanding its jurisdiction. So, again, it would not have made sense to limit the federal courts to the powers "herein granted," because the scope of the judicial power may be expanded, not only by statute but also by treaty.

But Article I has no such provision. The legislative power does not "extend . . . to Treaties made, or which shall be made." *Id.* Indeed, it does not "extend" at all. Rather, the only legislative powers provided for in the Constitution are those that it enumerates, those that it says are "herein granted." Contrary to *Missouri v. Holland*, the scope of the legislative

power—unlike the scope of the executive and judicial powers—does not change with the passage of statutes or the ratification of treaties.

This textual dichotomy between Article I and Articles II and III is consistent with the underlying theory of separation of powers. To create a tripartite government of limited powers, it is logically necessary that at least one of the branches have fixed powers—powers that cannot be increased by the other branches. And in a democracy, that branch naturally would be the legislature. As one would expect, Congress is the first branch of government, the first mover in American law, the fixed star of constitutional power. See Akhil Reed Amar, *Of Sovereignty and Federalism*, 96 Yale L.J. 1425, 1443 n.71 (1987) ("Congress remained in many ways *primus inter pares*. Schematically, Article I precedes Articles II and III. Structurally, Congress must exercise the legislative power before the executive and judicial powers have a statute on which to act." (citations omitted) (quoting U.S. Const. Art. I, § 8, cl. 18 (emphasis added)) (citing *The Federalist No. 51*, at 322 (James Madison) (Clinton Rossiter, ed., 1961)). Congress can increase the power of the President (and the courts), but the President cannot increase the power of Congress in return. If he could, the federal government as a whole would cease to be one of limited power.

Moreover, to the extent that the jurisdiction of any branch may increase, it is naturally left to a *different* branch to work the expansion. To entrust Congress to expand the subject-matter jurisdiction of the executive and the judiciary is consistent with the theories of Montesquieu and Madison, because Congress has no incentive to overextend the powers of

the other branches at its own expense. See 1 Blackstone at *142 ("[W]here the legislative and executive authority are in distinct hands, the former will take care not to entrust the latter with so large a power, as may tend to the subversion of [its] own independence, and therewith of the liberty of the subject."). But it is quite another matter to entrust treatymakers—the President and Senate—to expand the subject-matter jurisdiction of lawmakers—the President, Senate, and House. Here, there is no ambition to counteract ambition; instead, ambition is handed the keys to power. See Charles de Secondat, Baron de Montesquieu, *The Spirit of the Laws* bk. XI, ch. IV, at 161 (photo. reprint 1991) (J.V. Prichard ed., Thomas Nugent trans., G. Bell & Sons 1914) (1748) ("[E]very man invested with power is apt to abuse it, and to carry his authority as far as it will go."). As Henry St. George Tucker wrote in his treatise on the treaty power five years before *Missouri v. Holland*, "[s]uch interpretation would clothe Congress with powers beyond the limits of the Constitution, with no limitations except the uncontrolled greed or ambition of an unlimited power." Tucker, *Limitations on the Treaty-Making Power* § 113, at 130 (1915).

None of this is consistent with the text of the Constitution or with its underlying theory of separation of powers. See *INS v. Chadha*, 462 U.S. 919, 947 (1983) (noting "the profound conviction of the Framers that the powers conferred on Congress were the powers to be most carefully circumscribed"); The Constitutional Separation of Powers Between the President and Congress, 20 Op. Off. Legal Counsel 124, 131 (1996) ("Although the founders were concerned about the concentration of governmental power in any of the three branches, their primary

fears were directed toward congressional self- aggrandizement . . . ." (citing *Mistretta v. United States*, 488 U.S. 361, 411 n.35 (1989))); *The Federalist No. 49*, *supra*, at 313-14 (James Madison) ("[T]he tendency of republican governments is to an aggrandizement of the legislative at the expense of the other departments.").

The Court realized this long before *Missouri v. Holland*, in a case that Justice Holmes failed to cite. As the Court explained in 1836: "The government of the United States . . . is one of limited powers. It can exercise authority over no subjects, except those which have been delegated to it. Congress cannot, by legislation, enlarge the federal jurisdiction, *nor can it be enlarged under the treaty-making power*." *Mayor of New Orleans v. United States*, 35 U.S. (10 Pet.) 662, 736 (1836) (emphasis added).

2. *Missouri v. Holland* enables the circumvention of Article V.

Another way to put the point is that *Missouri v. Holland* permits evasion of Article V's constitutional amendment mechanism. As a general rule, the subject matter of the legislative power can be increased only by constitutional amendment. This expansion has happened several times. See U.S. Const. amend. XIII, § 2; amend. XIV, § 5; amend. XV, § 2; amend. XIX, cl. 2; amend. XXIII, § 2; amend. XXIV, § 2; amend. XXVI, § 2.

The process provided by the Constitution for its own amendment is of course far more elaborate than the process for making treaties. Compare U.S. Const. art. II, § 2, cl. 2, with Art. V. But under *Missouri v. Holland*, treaties may "provide Congress with a new

basis for subject-matter jurisdiction." Golove, *supra*, at 590 n.38. In other words, the legislative subject-matter jurisdiction of Congress may be increased not just by constitutional amendment but also by treaty.

The Court rejected an analogous implication in *City of Boerne v. Flores*, 521 U.S. 507 (1997). In that case, the Court considered whether the object of legislation under Section 5 of the Fourteenth Amendment—"to enforce . . . the provisions of" that Amendment—could be expanded by act of Congress:

> If Congress could define its own powers by altering the Fourteenth Amendment's meaning, no longer would the Constitution be "superior paramount law, unchangeable by ordinary means." It would be "on a level with ordinary legislative acts, and, like other acts, . . . alterable when the legislature shall please to alter it." Under this approach, it is difficult to conceive of a principle that would limit congressional power. Shifting legislative majorities could change the Constitution and effectively circumvent the difficult and detailed amendment process contained in Article V.

Id. at 529 (citations omitted) (quoting *Marbury*, 5 U.S. (1 Cranch) at 177).

In other words, under Section 5, the *nexus* between the legislation and its object may be relatively loose, but the object *itself* cannot be expanded by the political branches. If the object of such legislation—"to enforce . . . the provisions of" the Fourteenth Amendment—could be expanded by the political branches, the result would be an impermissible ex-

pansion of legislative power outside of Article V's amendment mechanism.

The situation is the same with treaties. Read literally, *Missouri v. Holland* renders an object of the Necessary and Proper Clause expandable with the ratification of each new treaty. Such an interpretation, in turn, allows for an expansion of legislative power by the President and Senate, which "effectively circumvent[s] the difficult and detailed amendment process contained in Article V." *Id*; see also *Reid v. Covert*, 354 U.S. 1, 17 (1957) (plurality opinion) ("It would be manifestly contrary to the objectives of those who created the Constitution, as well as those who were responsible for the Bill of Rights—let alone alien to our entire constitutional history and tradition—to construe Article VI as permitting the United States to exercise power under an international agreement without observing constitutional prohibitions. In effect, such construction would permit amendment of that document in a manner not sanctioned by Article V.").

C. Either the President or a Foreign Government Can Unilaterally Abrogate a Treaty—But Neither the President nor a Foreign Government Can Thus Decrease Congress's Power and Render U.S. Laws Unconstitutional

If it is strange to think that the legislative power may be *expanded*, not by constitutional amendment, but by an action of the President with the consent of the Senate, it is surely stranger still to think that the legislative power may be *contracted* by the President alone. Yet this too is an implication of *Missouri v. Holland*.

As a general matter, "[i]f [a] statute is unconstitutional, it is unconstitutional from the start," The Attorney General's Duty To Defend and Enforce Constitutionally Objectionable Legislation, 4A Op. Off. Legal Counsel 55, 59 (1980); see also *Newberry v. United States*, 256 U.S. 232, 254 (1921) ("[T]he criminal statute now relied upon antedates the Seventeenth Amendment and must be tested by powers possessed at the time of its enactment. An after-acquired power can not *ex proprio vigore* validate a statute void when enacted."); 1 J.G. Sutherland, *Statutes and Statutory Construction* 176 (John Lewis ed., 2d ed. 1904) ("[I]f an act is invalid when passed because in conflict with the constitution, it is not made valid by a change of the constitution which does away with the conflict."). And, conversely, if a statute is constitutional when enacted, it generally can be *rendered* unconstitutional only by a constitutional amendment.

The Supremacy Clause confirms the point: "This Constitution, and the Laws of the United States which shall be *made* in Pursuance thereof . . . shall be the supreme Law of the Land." U.S. Const. art. VI, cl. 2 (emphasis added). Once a constitutional law is made it is the supreme law of the land from that moment forth, until it is repealed or the Constitution is amended. In other words, "[a] statute . . . must be tested by powers possessed at the time of its enactment." *Newberry*, 256 U.S. at 254.

Yet *Missouri v. Holland* creates an anomalous exception to this rule. Under the rule of that case, some exercises of legislative power would derive their authority not from the Constitution but from specific treaties. If so, then when such treaties are termi-

nated, their implementing statutes presumably *become* unconstitutional. Such statutes are suddenly rendered unconstitutional not by constitutional amendment but by the mere abrogation of a treaty.

And if it is strange to think of a statute *becoming* unconstitutional, surely it is stranger still to think that the President may render a statute unconstitutional *unilaterally and at his sole discretion*. Yet this is what follows from *Missouri v. Holland*. The President has power to abrogate treaties unilaterally. See Validity of Congressional-Executive Agreements That Substantially Modify the United States' Obligations Under an Existing Treaty, 20 Op. Off. Legal Counsel 389, 395 n.14 (1996) ("[T]he Executive Branch has taken the position that the President possesses the authority to terminate a treaty in accordance with its terms by his unilateral action."). If so, then the President, by renouncing a treaty, could unilaterally render any implementing acts of Congress unconstitutional (unless they could be sustained under some other head of legislative power).

This result is inconsistent with the basic proposition that "repeal of statutes, no less than enactment, must conform with [Article] 1." *INS v. Chadha*, 462 U.S. at 954. Thirteen years ago, this Court did not hesitate to strike down a statute that "authorize[d] the President himself to effect the repeal of laws, for his own policy reasons, without observing the procedures set out in Article I, § 7." *Clinton v. City of New York*, 524 U.S. 417, 445 (1998). As the Court said in that case, "[t]here is no provision in the Constitution that authorizes the President . . . to repeal statutes." *Id.* at 438. Yet under *Missouri v. Holland*, legislation that reaches beyond enumerated powers to imple-

ment treaties is, in effect, subject to a different rule. Here, in essence, the President has a unilateral power "to effect the repeal of laws, for his own policy reasons." *Id.* at 445. Whenever he chooses, he may abrogate a treaty and thus render any implementing legislation unconstitutional.

And that is not the worst of it. The President is not the only one who can terminate a treaty. Our treaty partners can likewise renounce treaties. See Louis Henkin, *Foreign Affairs and the United States Constitution* 204 (2d ed. 1996) ("[A treaty] is not law of the land if it . . . has been terminated or destroyed by breach (whether by the United States or by the other party or parties)."). Under *Missouri v. Holland*, therefore, it is not only the President who can, at his own discretion, render certain statutes unconstitutional by renouncing treaties. *Foreign governments can do this too.* Surely the Founders would have been surprised to learn that a federal statute—duly enacted by both Houses of Congress and signed by the President—may, under some circumstances, be rendered unconstitutional at the discretion of, for example, the King of England. After all, ending the King's capricious control over American legislation was the very first reason given on July 4, 1776, for the Revolution. See The Declaration of Independence paras. 2-4 (U.S. 1776). Yet this too is a consequence of *Missouri v. Holland*.

All these paradoxes can be resolved only if, *contra Missouri v. Holland*, Congress's legislative power cannot be expanded or contracted by treaty.

III. THE MOST INFLUENTIAL ARGUMENT SUPPORTING *MISSOURI V. HOLLAND* IS BASED ON A MISREADING OF CONSTITUTIONAL HISTORY

Justice Holmes set forth no arguments whatsoever for the proposition that treaties can increase Congress's legislative power. And subsequent scholars and courts have generally contented themselves with a citation to *Missouri v. Holland*. But one eminent scholar has presented a substantive argument in support of this proposition, based upon the drafting history of the Constitution. It is ostensibly an extremely forceful argument, and one with inherent authority because it appears in the leading treatise on the constitutional law of foreign affairs. Indeed, it is the *only* argument on this point in that treatise.

As discussed above, the legislative power, unlike the judicial power, does not expressly "extend to . . . Treaties made, or which shall be made." U.S. Const. art. III, § 2, cl. 1. Rather, the legislative power is limited by the Constitution to those powers that it enumerates—those that are "herein granted." U.S. Const. art. I, § 1. To this point, though, Professor Louis Henkin has an apparently devastating reply based on constitutional drafting history: *"The 'necessary and proper' clause originally contained expressly the power 'to enforce treaties' but it was stricken as superfluous."* Henkin, *supra*, at 481 n.111 (emphasis added).

If words were struck from the draft Constitution as superfluous during the Convention, then the words that remained should probably be interpreted to cover the ground of the words that were struck. The inference here is that the Framers actually

turned their attention to precisely the question at issue in *Missouri v. Holland*. On this drafting history, it would appear that the Framers specifically considered whether the Necessary and Proper Clause—in its final form, without those crucial words—still signifies the power "to enforce treaties" beyond the other enumerated powers. It appears to follow that the final text of the Necessary and Proper Clause must convey the power to make laws "to enforce treaties."

Unsurprisingly, this argument has proven quite influential. For example, when the Second Circuit was confronted with this question, its entire analysis of Congress's power to legislate pursuant to treaty boiled down to citations to *Missouri v. Holland* and its predecessor *Neely v. Henkel*, 180 U.S. 109 (1901), followed by the crucial citation to Henkin. *United States v. Lue*, 134 F.3d 79, 82 (2d Cir. 1998) ("[*S*]*ee also* Henkin, *supra*, at 204 & n.111 (2d ed. 1996) ('The "necessary and proper" clause originally contained expressly the power "to enforce treaties" but it was stricken as superfluous.') (citing 2 M. Farrand, *The Records of the Convention of 1787*, at 382 (rev. ed.1966)).").

Indeed, when this Court invoked *Missouri v. Holland* seven years ago, it too cited Henkin's treatise. *United States v. Lara*, 541 U.S. 193, 201 (2004) ("[A]s Justice Holmes pointed out, treaties made pursuant to [the treaty] power can authorize Congress to deal with 'matters' with which otherwise 'Congress could not deal.' *Missouri v. Holland* . . . ; see also Henkin, *supra*, at 72."). In short, Henkin's argument from constitutional history has greatly influenced—and

foreshortened—the debate on this issue both in the academy and in the judiciary.

But Professor Henkin was mistaken. As recent historical scholarship has demonstrated, he simply misread the constitutional history. The words "to enforce treaties" *never appeared in any draft of the Necessary and Proper Clause*. They were never struck as superfluous to that Clause, because they never appeared in that Clause at all. The phrase "enforce treaties" was apparently struck as superfluous from the Militia Clause, which was apparently the source of Henkin's confusion. But *that* drafting history provides no support for *Missouri v. Holland*. *See* Nicholas Quinn Rosenkranz, *Executing the Treaty Power*, 118 Harv. L. Rev. 1867, 1912-18 (2005).

In short, the leading treatise on the law of foreign affairs makes exactly one argument in favor of *Missouri v. Holland*'s crucially important, unreasoned statement that Congress has automatic power to enforce treaties. This treatise, and this argument, have profoundly influenced—and short-circuited—debate on this question. Yet Professor Henkin's only argument on this point is based on a historical premise that is simply false.

The words "enforce treaties" never appeared in the Necessary and Proper Clause. And there is no reason in constitutional history to believe that the clause as adopted entails power, beyond the other enumerated powers, to enforce treaties.

IV. *MISSOURI V. HOLLAND* IS A STRUCTURAL AND DOCTRINAL ANAMOLY

A. *Missouri v. Holland* Is in Tension with *Reid v. Covert*

If current doctrine and scholarship are correct that treaties may extend beyond the subjects enumerated in Article I, Section 8, and if Justice Holmes was wrong that such treaties themselves can confer legislative power, then a treaty might commit the United States to enact legislation even though Congress would have no power to fulfill the promise.

At first glance, this might seem an anomalous result, but the truth is that this result already obtains from *Reid v. Covert*, 354 U.S. 1 (1957). Under current doctrine, the President may, by non-self-executing treaty, promise that Congress will violate the Bill of Rights. Entering into such a treaty does not violate the Constitution, because a non-self-executing treaty has no domestic legal effect. But, as this Court made clear in *Reid v. Covert*, Congress is not thereby empowered to violate the Bill of Rights. *Id.* at 16-17 (plurality opinion). It is already true, therefore, that the President may make political promises by treaty that Congress lacks the legal power to keep.

> [T]he Government contends that [the statute at issue] can be sustained as legislation which is necessary and proper to carry out the United States' obligations under the international agreements made with those countries. The obvious and decisive answer to this, of course, is that no agreement with a foreign nation can *confer power on the Congress*, or on

> any other branch of Government, *which is free from the restraints of the Constitution.*

Id. at 16 (plurality opinion) (emphases added).

Reid is right, and it is *Missouri v. Holland* that creates the anomaly. The President has theoretical power to enter into a treaty promising that Congress will violate the Bill of Rights, but such a treaty does not empower the Congress to do so. Likewise, the President has theoretical power to enter into a treaty promising that Congress will exceed its legislative powers, but again, the treaty does not and cannot empower Congress to do so.

B. *Missouri v. Holland* Creates Doubly Perverse Incentives—Incentives for More International Entanglements, Which in Turn Increase Legislative Power

It might be argued that the rule of *Missouri v. Holland* allows desirable flexibility in the conduct of foreign affairs. But the flexibility afforded by the rule is entirely insidious.

The domestic "flexibility" afforded by treaties that reach beyond enumerated powers will of course be tempting to the President and the Senate. After all, they, plus the House of Representatives, will be the beneficiaries of the increased legislative power. Indeed, this prospect will constitute a powerfully perverse incentive to enter into treaties that go beyond enumerated powers. This is just the sort of self-aggrandizing "flexibility" that the Constitution was designed to prohibit. As Professor Walter Dellinger wrote while Assistant Attorney General for the Office of Legal Counsel: "Although the founders were concerned about the concentration of governmental

power in any of the three branches, their primary fears were directed toward congressional self-aggrandizement." The Constitutional Separation of Powers Between the President and Congress, 20 Op. Off. Legal Counsel 124, 131 (1996) (citing *Mistretta v. United States*, 488 U.S. 361, 411 n.35 (1989)).

Under current doctrine, "[i]t is not difficult to hypothesize possible abuses of the treaty power." Golove, *supra*, at 1298 n.756. There is, in fact, a trend toward treaties that encroach on the traditional domains of the states. These treaties can be very vague, see Curtis A. Bradley, *supra*, at 443 ("[T]reaties, especially multilateral treaties, may be more likely than domestic legislation to contain vague and aspirational language, making their effect on state prerogatives harder to anticipate during the ratification process."), and even if they are not so vague, at least one circuit court has concluded that implementing legislation need only bear a "rational relationship" to the treaty that it is ostensibly designed to execute. See *Lue*, 134 F.3d at 84.

The Constitution should not be construed to create this doubly perverse incentive—an incentive to enter "entangling alliances," Thomas Jefferson, First Inaugural Address (Mar. 4, 1801), *in* Thomas Jefferson, *Writings* 1136-39 (Merrill D. Peterson, ed.) (calling for "peace, commerce, and honest friendship with all nations, entangling alliances with none"); see also George Washington, Farewell Address (Sept. 17, 1796), *in* Presidential Documents 18, 24 (J.F. Watts & Fred L. Israel eds., 2000) ("It is our policy to steer clear of permanent alliances with any portion of the foreign world . . . ."), merely to attain the desired side effect of increased legislative power. In-

deed, the treatymakers apparently succumbed to just this temptation in *Missouri v. Holland* itself: "If ever the federal government could be charged with bad faith in making a treaty, this had to be the case." Golove, *supra*, at 1256.

Were Justice Holmes's *ipse dixit* rejected, the President would still have ample power to conclude treaties on all appropriate subjects. The only thing that would change is that the President and the Senate would lack the power—and thus the perverse incentive—to undertake additional international legal commitments just to increase the legislative power.

C. *Missouri v. Holland* Should Not Be Sustained on *Stare Decisis* Grounds

At first glance, *Missouri v. Holland* might appear to present the strongest possible case for application of *stare decisis*. It is 91 years old. It was written by Justice Holmes. It is canonical. And it affirms a power of the political branches in an area related to foreign affairs.

But the argument for *stare decisis* is not nearly as compelling as it may first appear. The opinion is canonical and it was written by Justice Holmes, but on the point at issue—Congress's power to legislate pursuant to treaty—it is also utterly unreasoned. The *stare decisis* force of an opinion turns, in part, on the quality of its reasoning and diminishes substantially if it provides no reasoning at all. See *Payne v. Tennessee*, 501 U.S. 808, 827 (1991) ("[W]hen governing decisions are . . . badly reasoned, 'this Court has never felt constrained to follow precedent.'" (quoting *Smith v. Allwright*, 321 U.S. 649, 665 (1944))).

Second, while *Missouri v. Holland* is 91 years old, its holding concerning legislative power pursuant to treaty has been all but irrelevant for most of that time. From 1937 to 1995, the Court did not strike down a single statute as beyond Congress's enumerated powers. Throughout the decades when the Commerce Clause power was construed to be essentially limitless, the question of expanding Congress's legislative power by treaty was almost entirely hypothetical. During those years, any legislation that Congress enacted to enforce a treaty could almost certainly have also been sustained under the Commerce Clause or some other enumerated power. See 1 Laurence H. Tribe, American Constitutional Law § 4-4, at 646 (3d ed. 2000) ("The importance of treaties as independent sources of congressional power has waned substantially in the years since *Missouri v. Holland* . . . [;] the Supreme Court [in the intervening period has] so broadened the scope of Congress' constitutionally enumerated powers as to provide ample basis for most imaginable legislative enactments quite apart from the treaty power."). Only after *United States v. Lopez*, 514 U.S. 549 (1995), did *Missouri v. Holland*'s holding on the scope of treaty-related legislative power recover even potential practical significance. Thus, any supposed reliance of the political branches on this holding must be dated from 1995, not 1920.

Even since 1995, the Supreme Court has struck down only three statutes as beyond the enumerated powers of Congress. See *Morrison*, 529 U.S. at 627 (invalidating part of the Violence Against Women Act); *Flores*, 521 U.S. at 536 (invalidating the Religious Freedom Restoration Act); *Lopez*, 514 U.S. at 567-68 (invalidating the Gun-Free School Zones Act).

It can hardly be said, therefore, that the conduct of foreign affairs by the political branches has been undertaken in substantial reliance on the rule that federal legislative power may be increased by treaty. Scholars only now are discovering *Missouri v. Holland*'s potential for evading the limits on congressional powers. See Rosenkranz, *supra* (collecting recent articles). If the political branches should move to act on the proposals of these scholars, *that* would present an unfortunate situation of reliance, in the foreign affairs realm, on erroneous constitutional doctrine. But right now—while these proposals are in the law reviews and not in *Treaties in Force* or the *Statutes at Large*—*Missouri v. Holland* may be overruled on this point without any dislocation of American foreign relations.

This Court has not hesitated to reconsider a canonical opinion when new scholarship in the *Harvard Law Review* demonstrates that the conventional historical account was simply wrong. See *Erie R.R. Co. v. Tompkins*, 304 U.S. 64, 72-73 n.5 (1938) (citing Charles Warren, *New Light on the History of the Federal Judiciary Act of 1789*, 37 Harv. L. Rev. 49, 51-52, 81-88, 108 (1923)). And it has not hesitated to overrule such an opinion when it becomes clear that the opinion is fundamentally inconsistent with constitutional structure. *Erie*, 304 U.S. at 77 (overruling *Swift v. Tyson*, 41 U.S. (16 Pet.) 1 (1842)). This is just such a case. See Rosenkranz, *supra*.

In short, *Missouri v. Holland* may be canonical, but it does not present a strong case for *stare decisis*. It was wrongly decided, and it should be overruled.

CONCLUSION

A treaty cannot confer new power on Congress, and so neither of the treaties at issue here empowered Congress to enact Section 514 of the URAA. The Tenth Circuit's judgment should be reversed.

Respectfully submitted,

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June 21, 2011

AMICUS CURIAE BRIEF

No. 10-545

In the Supreme Court of the United States

LAWRENCE GOLAN, et al.,
Petitioners,

v.

ERIC H. HOLDER, JR., Attorney General, et al.,
Respondents.

On Writ of Certiorari to the United States Court of Appeals for the Tenth Circuit

BRIEF OF THE CONDUCTORS GUILD AND THE MUSIC LIBRARY ASSOCIATION AS *AMICI CURIAE* SUPPORTING PETITIONERS

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TABLE OF CONTENTS

Page

TABLE OF AUTHORITIES ii

INTEREST OF *AMICI CURIAE* 1

SUMMARY OF ARGUMENT 2

ARGUMENT 3

I. Section 514's amendment to the Copyright Act retroactively grants copyright protection to works previously in the public domain... 3

II. This grant of restored copyright protection has had a direct and dramatic effect on musicians, orchestras, music libraries, scholars, and students..... 4

III. Surveys of members of The Conductors Guild and of the Music Library Association demonstrate the practical consequences of Section 514..... 6

A. The Guild survey revealed the ill effects of Section 514 on musical performances and education..... 7

B. A survey of Music Library Association members reveals Section 514's impact on music education, scholarship, and preservation..... 10

CONCLUSION 14

TABLE OF AUTHORITIES

Page(s)

Case

Dam Things from Denmark v. Russ Berrie & Co., Inc., 290 F.3d 548 (3d Cir. 2002) 8

Constitution

United States Constitution, First Amendment . . . 3

Statutes

17 U.S.C. § 104A(h)(6)(C) 3

Uruguay Round Agreements Act, Pub. L. No. 103-465, 108 Stat. 4809 2

INTEREST OF *AMICI CURIAE*

The Conductors Guild is the only music service organization devoted exclusively to advancing the art of conducting and serving the artistic and professional needs of conductors. It has a membership of over 1,600 members representing all fifty United States and more than thirty other countries.[1] The Guild's goal is to enhance the professionalism of conductors by serving as a clearinghouse for information regarding the art and practice of conducting, and to support the artistic growth of orchestras, bands, choruses, and other conducted ensembles. The Guild also expresses the views and opinions of the conducting profession to the music community. Many Guild members serve as music directors and conductors for smaller orchestras that rely on the availability of classical works in the public domain for their performances.

The Music Library Association ("MLA") is the professional association for music libraries and librarianship in the United States. Founded in 1931, it has an international membership of over 800 librarians, musicians, scholars, educators, and members of the book and music trades. Complementing the Association's national and international activities are eleven regional chapters that carry out its programs on the local level. The

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[1] The parties have consented to the filing of this brief.

No counsel for a party authored this brief in whole or in part, and no counsel or party made a monetary contribution intended to fund the preparation or submission of this brief. No person other than amicus curiae, its members, or its counsel made a monetary contribution to its preparation or submission.

MLA provides a professional forum for librarians, archivists, and others who support and preserve the world's musical heritage.

SUMMARY OF ARGUMENT

This case presents issues of enormous importance to the *amici*. Section 514,[2] alone among amendments to the Copyright Act, makes previously available works of art effectively unavailable for performance or scholarly analysis. Permitting Section 514 to remove from the public domain many landmark works of twentieth-century music—works by Prokofiev, Stravinsky, Shostakovich, and others—imposes a tremendous financial burden on local and regional music organizations and has a debilitating effect on music scholarship. Perhaps more important, it also risks preventing a new generation of performers and music lovers from experiencing or studying a transformative period in musical innovation.

Some privileged musical organizations in larger cities can afford to continue performing the affected works. But their musicians and patrons make up a tiny fraction of the nation's musicians and music lovers. Most Americans are exposed to the arts not by these few wealthy entities, but in their schools and local communities. These smaller musical entities face limited and inflexible budgets, and removing important works from the public domain will force them to forego performing these works at all. Music

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[2] "Section 514" refers to the corresponding section of the Uruguay Round Agreements Act ("URAA"), Act of Dec. 8, 1994, Pub. L. No. 103-465, 108 Stat. 4809.

libraries—the great repositories of our musical heritage—face similar economic constraints. Section 514 therefore will harm not only the members of the *amici* organizations, but also millions of music students, scholars, and audience members throughout the country.

Preventing the performance and study of works that have long been in the public domain cannot be squared with the First Amendment. This Court therefore should reverse the judgment of the United States Court of Appeals for the Tenth Circuit.

ARGUMENT

I. Section 514's amendment to the Copyright Act retroactively grants copyright protection to works previously in the public domain.

In 1994, Congress enacted the Uruguay Round Agreements Act ("URAA"). Section 514 of that Act "restores" copyrights in foreign works that were formerly in the public domain in the United States for one of three specified reasons: failure to comply with formalities; lack of subject-matter protection; or lack of national eligibility. *See* 17 U.S.C. § 104A(h)(6)(C).

Congress thus removed from the public domain a vast number of important works by foreign composers and, for the first time, granted them the protection of United States copyright law. These works include landmarks of twentieth-century music by the most important composers of their day. Works by Sergei Prokofiev, Igor Stravinsky, and Dmitri Shostakovich are central to the repertoire of any orchestral group

interested in twentieth-century classical music. They are also works that any music lover must experience to fully appreciate the evolution of classical music over the past century.

II. This grant of restored copyright protection has had a direct and dramatic effect on orchestras, musicians, music libraries, scholars, and students.

If an orchestra wishes to perform a work in the public domain, it typically has two choices. It can purchase the necessary sheet music for its collection, or it can rent physical copies of the sheet music. For a work subject to copyright protection, however, there is typically only one option—renting the sheet music. And even if an orchestra purchased sheet music before implementation of Section 514, a copyright-protected work can be performed only after paying a separate performance fee or purchasing a blanket license.

Rental fees for a full orchestration of a copyright-protected work can be $800 or more for a single performance. Rental costs are even higher for an orchestral group that requires a longer rehearsal period, such as a student orchestra or an amateur group. Rental costs and playing time of a composition are often directly related, with longer pieces commanding a higher fee. Similarly, a piece with more instrumental parts, such as Shostakovich's *Symphony no. 10*, is more expensive to rent than a piece for only a few instruments, such as Stravinsky's *Octet*. Finally, the popularity of a piece also can lead to a higher-than-average rental fee.

Rental fees for copyright-protected music impose an enormous financial burden on small orchestras. Sheet-music rentals are charged on a per-performance basis, and the fees are normally three or four times as much as buying the sheet music for a public-domain work. Because a fee must be paid for each performance, fees accumulate season after season, often preventing repeated productions. And some publishers prohibit renters from duplicating orchestral parts of a copyright-protected work, except to replace missing or damaged parts with "emergency" copies that must be destroyed after the performance.

Restoring copyright protection to previously available works demands a new financial investment from orchestral groups while undermining the value of their previous investments in sheet music, because the orchestra now must pay additional performance fees or purchase a blanket license for the music that it formerly owned outright. The inevitable result is that orchestral groups choose not to perform, or to less frequently perform, popular canonical works that have enthralled audiences for decades.

These new hurdles to performance limit the breadth of education for music students and deprive audiences of valuable artistic, intellectual, and emotional experiences. The consequences are particularly dire for student groups. Such groups not only have limited budgets but also require more rehearsal time to prepare for a performance. This entails a longer rental period and even higher fees. Without the resources to pay those fees, a new generation of musicians will receive an incomplete or quite costly musical education.

Section 514 has had an equally deleterious effect on the world of musical publishing, scholarship, libraries, and education. With the passage of the URAA, publishers of reprinted music no longer supply scores for some of the most important classical works of the twentieth century. Most of these works became available only for rental, making scores difficult or impossible for librarians to obtain and for students to study. Publishers of excerpt books (which instrumentalists use to practice common orchestral excerpts used in auditions) were likewise forced to discontinue publication. Works that had been staples of competitions everywhere no longer could be performed because libraries could not obtain the multiple copies needed to provide each performer with an original copy. Sound recordings featuring "restored" works quickly went out of print. All of these developments lessened the ability of music libraries to fulfill their educational and public-service missions.

III. Surveys of members of The Conductors Guild and of the Music Library Association demonstrate the practical consequences of Section 514.

In preparation for this brief, the Conductors Guild and the Music Library Association surveyed their members to learn whether and how they have been affected by copyright restoration under Section 514. We discuss the results of each survey below.

A. The Guild survey revealed the ill effects of Section 514 on musical performances and education.

The Guild survey revealed that eighty-three percent of respondents have a general practice of conserving resources by limiting their performance and recording of copyrighted works. Seventy percent are no longer able to perform works previously in the public domain—works performed regularly before the passage of Section 514—because those works are now under copyright protection. And thirty-seven percent own sheet music for these works, but are now required to pay performance fees.

The surveyed members provided specific examples of how the legal changes have impacted their work. One conductor for a chamber ensemble listed a number of works by Igor Stravinsky that his group has performed in the past, but no longer will perform because they are now protected. He explained that the fees to perform such a work are at least $300, and that his ensemble cannot afford such fees.

A university-orchestra conductor explained that high rental fees for music by Shostakovich, Prokofiev, and Stravinsky make it impossible for his students to perform those works. As he explained, "this has severely curtailed the possibilities for the education of our music students . . . ." Another conductor for a university orchestra noted that his student ensemble no longer can perform Prokofiev's *Peter and the Wolf* or Stravinsky's *Soldier's Tale*, among other titles. The loss of *Soldier's Tale* is particularly troubling, as it is considered an essential piece for conductors training to become professionals. He further noted that his

students require an extended rental for a long rehearsal cycle. Those fees, he reported, can exceed $1,200.

Another respondent feared that *Peter and the Wolf*, which he and others consider an essential work, is in danger of becoming a secondary piece as a result of these new restrictions. Another explained that these are "outstanding works by some of the most artistically and historically important composers of the late-19th and early-20th centuries. Studying and performing these works is a vital part of the training of young musicians . . . ."

Another respondent eloquently explained the burden these restrictions impose on smaller orchestras:

> [S]maller professional or part-time professional orchestras and even many of the medium-sized cities with full seasons and long and cherished reputations are hurting. Against all aesthetic reason they are forced [to] find ways to shrink their seasons and reduce the size of their full-time performing personnel. Introducing a further burden on live-music-making ensembles is a form of slow suicide.

The survey also revealed how hard it can be to determine the copyright status of a given work, particularly when that work has been in the public domain for decades. *Cf. Dam Things from Denmark v. Russ Berrie & Co., Inc.*, 290 F.3d 548, 556-60 (3d Cir. 2002) (engaging in a complex and extended legal and factual analysis to determine whether copyright in a doll was "restored" by Section 514). Respondents

expressed uncertainty as to which works have been placed back under copyright protection and which have not. This uncertainty, combined with an unwillingness to risk exposure to penalties, will result in music not being performed based on speculation that it is no longer in the public domain. Put another way, Section 514 will have a chilling effect on the exercise of the members' free-speech rights.

The members' responses not only lament Section 514's impact on their own expressive freedom, but also reflect a concern for the impact on their audiences' exposure to essential works. The director emeritus of a regional orchestra explained that "Russian symphonic works are very important to an orchestra's repertoire as well [as] to an educated audience. They are absolutely part of an orchestra's basic library." Another respondent explained that these works "are extremely important to the classical-music world and [to] the entire world in general. Having them under lock and key robs the world of more performances of the seminal works of the great Russian composers."

As these survey results illustrate, the scope of copyright protection is a fundamental issue for members of the Conductors Guild and for the audiences they serve. Section 514 is uniquely disruptive because it, alone among amendments to the copyright laws, has the effect of making previously available works of art effectively unavailable to all but the most prominent orchestras and their fortunate audiences. For decades, members of the Guild have relied on the fact that these works were available in the public domain, and their removal has upset those decades of reliance.

B. A survey of Music Library Association members reveals Section 514's impact on music education, scholarship, and preservation.

Fifty-five percent of the respondents in the Music Library Association survey reported that they had had difficulty in the last ten years acquiring works by Soviet-era composers for their patrons. Fifty-eight percent knew of cases in which the unavailability of these works had hindered their patrons' performance or study of the affected music. And thirty-six percent had placed circulation restrictions on works by affected composers due to the difficulty of acquiring replacements.

The affected works include those of major composers like Shostakovich, Stravinsky, Prokofiev, and Rachmaninoff, as well as works by lesser-known composers who are nevertheless of keen interest to performers, scholars, and students, including Dmitri Kabalevsky, César Antonovich Cui, Aram Ilyich Khachaturian, Reinhold Moritzevich Glière, and Nikolai Myaskovsky.

Respondents commented on the difficulty of acquiring previously public-domain works. "Several Soviet-era works are much more difficult to acquire now. As an example, [Kabalevsky's] *Colas Breugnon Overture*, formerly available for sale from [music publisher] Kalmus, is now rental-only from [music publisher] Schirmer. It is technically available, but while we used to be able to acquire this score for our students to study the work, that is no longer possible." Another respondent recalled "a specific Shostakovich

chamber work" that was too difficult to acquire "until one of our faculty happened to be in Vienna where he could purchase it."

Most often mentioned—and most deeply regretted—was the effect on music students. Purchasing works that have been placed back under copyright is prohibitively expensive for many young musicians. Students auditioning for professional orchestras often are asked to play selections from works by former Soviet composers. The difficulty of acquiring parts and out-of-print excerpt books makes it harder to prepare for these auditions.

Prices for scores of restored works are often substantially higher than when they were in the public domain. For example, Shostakovich's *Preludes and Fugues Op. 87*, which one university librarian noted "was formerly available from Dover [Publications] for about $13.00," now costs $90 for an authorized edition.[3] As that librarian observed, "[a]side from costing libraries, this price puts the publication out of reach for most student pianists." A chamber-orchestra director noted that "[t]he lack of readily available scores is a huge problem. For many pieces, one can only rent scores with parts,[4] which means critics and music lovers cannot get access to scores for their own

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[3] *See* Hal Leonard Corp., http://www.halleonard.com/product/viewproduct.do?itemid=50470230 (June 17, 2011); http://www.halleonard.com/product/viewproduct.do?itemid=50489224 (June 17, 2011).

[4] "Scores" display in one place all the parts that make up a symphonic work, whereas "parts" are instrument-specific. Being forced to rent the score with all the parts is more expensive.

study. This also adversely affects young musicians and orchestral players." A university librarian stated: "Public domain works are the bread and butter of the learning process for young musicians. Restricting access to [these works] is detrimental to their ability to learn and prepare to be professional musicians. These restrictions need to be lifted to assure our students the best possible musical preparation they can get."

Music scholars also feel the effect of Section 514. One university librarian remembered "a doctoral student who wanted to work on some obscure Shostakovich for his dissertation and was unable to [do so] due to the confusing state of the copyright." That student ultimately decided to pick another subject. Another respondent recalled a student's changing the subject of an honors thesis due to the unavailability of a Russian work.

MLA members also confirmed what The Conductors Guild members said about the impact of copyright restoration on musicians. As one respondent observed: "We are an orchestra library and the major impact for our organization has been rental costs, which are generally more expensive than purchasing orchestral material. For a nonprofit organization, this can be the decisive point when choosing what music is programmed."

Music libraries suffer as well, because their effectiveness as research institutions is compromised by their inability to acquire important works. Accordingly, some libraries have stopped lending irreplaceable Russian works to other institutions, or even to their own students. Some have placed these

items in "special collections" to which access is tightly controlled.

Again, students pay the price for this restricted access. A librarian at a university-affiliated music conservatory wrote: "For affected works which we already own, we now only allow these sets to be used by the school's primary large ensembles. This means that none of these works are now available to be performed by our student conductors on their degree recitals without having to pay prohibitively high rental fees."

Finally, there is the effect of copyright restoration on music itself. A librarian at a music conservatory warned that, if the affected works become "too expensive to buy, no one will explore their performance or undertake their recordings. We will curtail intellectual curiosity and diminish our cultural heritage."

CONCLUSION

For the foregoing reasons, *amici* respectfully request that the Court reverse the judgment of the United States Court of Appeals for the Tenth Circuit.

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AMICUS CURIAE BRIEF

No. 10-545

IN THE

Supreme Court of the United States

LAWRENCE GOLAN, et al.,

Petitioners,

v.

ERIC H. HOLDER, JR.,
ATTORNEY GENERAL, et al.,

Respondents.

ON WRIT OF CERTIORARI TO THE
UNITED STATES COURT OF APPEALS FOR THE TENTH CIRCUIT

BRIEF FOR CREATIVE COMMONS CORPORATION AS *AMICUS CURIAE* IN SUPPORT OF PETITIONERS

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TABLE OF CONTENTS

INTEREST OF *AMICUS CURIAE* 1

SUMMARY OF ARGUMENT 5

ARGUMENT 6

I. A RELIABLE, STABLE PUBLIC DOMAIN SUPPORTS CRITICAL ACTIVITY AND INVESTMENT. 6

II. THE ACTION OF THE FRAMERS IN ESTABLISHING THE FIRST COPYRIGHT ACT PROVIDES NO PRECEDENT FOR THE URAA. 8

A. "The public domain" only exists relative to the laws of a particular legal jurisdiction. 9

B. In 1790, there was no "public domain of the United States" because at least one state granted perpetual common law copyright protection even after publication 10

1. Before 1790, New York common law copyright protected creative work after publication. 11

2. The view that common law copyright would protect a work after publication was not uncommon at the Framing 12

TABLE OF CONTENTS – (continued)

3. The Act of 1790 was designed to abolish this conflict in common law copyright among the states. 14

C. The First Congress' treatment of state common law copyrights by the Act of 1790 is consistent with the treatment of analogous rights by subsequent Congresses. 15

D. Unlike the Act of 1790, the URAA restored copyright to work that was in the "public domain of the United States." 18

III. *ELDRED V. ASHCROFT* PROVIDES NO PRECEDENT FOR THE URAA 18

CONCLUSION 21

TABLE OF AUTHORITIES

CASES

Capitol Records, Inc. v. Naxos of Am., Inc.,
830 N.E.2d 250 (N.Y. 2005) 11, 13, 14

Donaldson v. Beckett, 1 Eng. Rep. 837 (H.L.
1774); 2 Bro. P.C. 129 ..... 12, 13

Eldred v. Ashcroft,
537 U.S. 186 (2003) 12

Erie R. Co. v. Tompkins,
304 U.S. 64 (1938) 12

Goldstein v. California,
412 U.S. 546 (1973) 16

Int'l News Serv. v. Associated Press,
248 U.S. 215 (1918) 6

Millar v. Taylor, 98 Eng. Rep. 201
(K.B. 1769); 4 Burr. 2303 ..... 12, 13

Percival v. Phipps, 2 Ves. & Beam. 19 (1813) 13

Pope v. Curl, 26 Eng. Rep. 608 (Ch. 1741);
2 Atk. 342 13

Wheaton v. Peters,
33 U.S. 591 (1834) 13

STATUTES

17 U.S.C. § 301(c) 16

Act of May 31, 1790, ch. 15, § 1, 1 Stat. 124 ..... 10, 11

TABLE OF AUTHORITIES – (continued)

MISCELLANEOUS

1 William Crosskey, *Politics and the Constitution in the History of the United States* (1953) 14, 15

H.R. Rep. No. 94-1476, § 301, *reprinted in* 1976 U.S.C.C.A.N. 5659 .....16, 17

J. Story, *Commentaries on the Constitution of the United States* § 502 (R. Rotunda & J. Nowak eds., 1987).....9

Lawrence Lessig, *Free Culture: How Big Media Uses Technology and the Law to Lock Down Culture and Control Creativity* (2004) 7

Richard Epstein, *The Dubious Constitutionality of the Copyright Term Extension Act*, 36 Loy. L.A. L. Rev. 123 (2002).....20

Russell Merritt & J.B. Kaufman, *Walt in Wonderland* (1993).....7

The Federalist No. 43 (James Madison) 13

U.S. Copyright Office, Library of Congress, *Copyright Enactments: Laws Passed in the United States Since 1783 Relating to Copyright* (rev. ed. 1973).....15

INTEREST OF *AMICUS CURIAE*

Pursuant to Supreme Court Rule 37.3, Creative Commons ("CC") respectfully submits this brief in support of Petitioners.[1]

Creative Commons is a nonprofit dedicated to helping rights holders make their work more easily available to others, consistent with the requirements of copyright law. Because of the capacities of the Internet and the complexity of traditional copyright licenses, it can be difficult for anyone, especially non-professionals, to share works reliably and legally on the Internet. In response to this difficulty, Creative Commons provides a set of free and standardized copyright licenses, as well as other legal tools, to give any rights holder—from individual creators to large companies and governments—a simpler way to reliably grant permissions to their creative work.

Launched in late 2002, Creative Commons offers six core copyright licenses in its suite. All require that attribution be given to the licensor. All permit at least non-commercial sharing of licensed work. Some go further and permit commercial as well as non-commercial use of licensed work. And some condition the right to

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[1] No counsel for a party authored this brief, in whole or in part, and no such counsel or party made a monetary contribution intended to fund the preparation or submission of this brief. No person other than *Amicus*, or its counsel, made a monetary contribution intended to fund its preparation or submission. The parties have filed blanket waivers with the Court consenting to the submission of all amicus briefs. Counsel of Record for *Amicus* is a founder of Creative Commons and serves on its Board of Directors. He is also the Director of the Edmond J. Safra Center for Ethics at Harvard University, and the Roy L. Furman Professor of Law at Harvard Law School. He was counsel for Petitioners at an earlier stage in the litigation.

create derivatives upon the obligation to license any such derivative under a similar license. Each of these licenses is expressed in the language required by courts to be enforceable. But each is also expressed in terms that make it easier for non-lawyers to understand. And content licensed on the Internet carries with it metadata that makes it simple for computers to identify the license that runs with the work. This metadata is then used by search engines, such as Google's, to find freely licensed copyrighted work.

In addition to its copyright licenses, Creative Commons also makes available tools to support the public domain. The CC0 (read "CC Zero") Public Domain Dedication allows creators and rights holders to dedicate works to the worldwide public domain in advance of expiration of their copyright.[2] CC's Public Domain Mark permits work already in the public domain to be labeled in a way that clearly communicates that status to the public.[3] Both public domain tools are accompanied by machine-readable metadata that allows the public to find work free of copyright restrictions. All of CC's copyright licenses and public domain tools are thus designed to ease sharing and discovery of works on the Internet, consistent with the rules of copyright.

Once applied, both the licenses and the CC0 Public Domain Dedication are permanent. Rights holders license their work irrevocably for the balance of the

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[2] *See* About CC0—"No Rights Reserved," http://creativecommons.org/about/cc0, *archived at* http://www.webcitation.org/5zW0x02mF.

[3] *See* About the Public Domain Mark—"No Known Copyright," http://creativecommons.org/about/pdm, *archived at* http://www.webcitation.org/5zW1MsVQU.

term of copyright. The CC0 Public Domain Dedication is likewise irrevocable. This permanence is by design. The complexity of creating an informational database that could provide reliable, up-to-date copyright and licensing status for any particular creative work precludes any solution that is time-limited. A permanent grant is the only mechanism that provides the necessary certainty to allow works to be efficiently shared and reused worldwide.

In the years since CC was launched, more than 400 million works have been marked on the Internet with Creative Commons licenses. Among these are prominent works such as Wikipedia, as well as millions of images in sites such as Flickr and Picasa, and tens of thousands of videos on YouTube, Blip.tv, and Vimeo. The world's largest Open Access publishers use Creative Commons licenses to publish their content online. CC also provides the legal framework for the growing Open Educational Resources ("OER") movement, which provides free learning resources to further universal access to education.[4] Most recently, the U.S. Department of Labor and U.S. Department of Education announced a program that will make available US $2 billion in federal grants over the next four years

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[4] For example, the Public Library of Science, chaired by Nobel Prize winner Harold Varmus, licenses its works using Creative Commons. *See* Public Library of Science, http://www.plos.org/, *archived at* http://www.webcitation.org/5zW36CiV0. The MIT OpenCourseWare project also licenses its content under Creative Commons licenses. *See* MIT OpenCourseWare, http://ocw.mit.edu/index.htm, *archived at* http://www.webcitation.org/5zW2f3Hla.

to create OER, the content of which must be released under the Creative Commons Attribution 3.0 license.[5]

Although much newer, CC0 (released in 2009) and the Public Domain Mark (released in 2010) have quickly become the standard for improving the discoverability of creative works in the worldwide public domain. CC0 is used by national governments, scientists, and many others to remove all copyright restrictions that otherwise impede the widespread dissemination and free reuse of materials worldwide. Leading adopters include the Dutch national government and the Personal Genome Project. The Public Domain Mark is also well received and leveraged. Prominent adopters include cultural institutions such as Europeana—the European Union's digital library, museum, and archive. Europeana uses the Public Domain Mark to label millions of works that archives, libraries, and museums throughout Europe have identified as free of copyright worldwide.[6]

Taken together, Creative Commons legal and technical infrastructure enables a vast and valuable pool of content to be discovered and lawfully copied, distributed, edited, remixed, and built upon by the public. The Court's decision in this case will directly affect CC's global and rapidly growing community of adopters and users, who depend upon the stability of the public domain to determine what material is safe to build upon to create new works, when CC licenses and

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[5] *See* United States Department of Labor, News Release 10-1436-NAT, http://www.dol.gov/opa/media/press/eta/eta20101436.htm, *archived at* http://www.webcitation.org/5zW2VYLzS.

[6] *See* Europeana and the Public Domain, http://www.europeana-libraries.eu/web/europeana-project/publications/, *archived at* http://www.webcitation.org/5zW27Pacl.

CC0 are operative, and whether works marked as belonging to the worldwide public domain using the Public Domain Mark are free of copyright restrictions.

SUMMARY OF ARGUMENT

For more than 200 years, the public domain has provided a diverse, rich, and robust body of material for the public to use, share, draw from, and build upon. Throughout this period of time, those who have relied upon the public domain to innovate have been able to trust that work found within its confines would not later be swept back within copyright and the exclusive control of private parties. This case will determine whether this long-standing principle will endure, and along with it, determine the fate of innumerable new works derived from work found within the public domain.

The government argues that the first federal copyright act provides historical precedent for the Uruguay Round Agreements Act (the "URAA"). This claim is founded on a misunderstanding of the copyright status of works at that time in American history. As *Amicus* demonstrates below, at the time of the first copyright act in 1790, copyright was rooted in state common law, which varied by state. Because at least one state granted perpetual common law copyright protection to works following publication, work subject to the first copyright act was not within the "public domain of the United States," as no such "public domain" existed. Thus, there is no legislative precedent for the government's plunder of the public domain under the URAA.

Likewise, there is no judicial precedent for the government's action under the URAA. The URAA sweeps a wide swath of foreign works back under copyright, and it does so via targeted legislation that is

not uniformly applicable to all copyrighted works. Certainly some American authors lost copyright protection for failure to comply with statutory formalities. Yet the URAA only restores copyright to foreign authors who made the same mistakes as many of their American counterparts. Under the government's reasoning in this case, Congress could pull works from the public domain to benefit a particular subset of authors for any "important governmental purpose." If endorsed by this Court, the implications of the government's argument are far-reaching. The certainty of public domain status, and the sizeable and incalculable investment in new work that certainty allows and supports, would be erased. In short, the very body of creative material unfettered by law that is, to quote Justice Brandeis, as "free as the air to common use," *Int'l News Serv. v. Associated Press*, 248 U.S. 215, 250 (1918), is a shared public resource that could forever be at risk.

ARGUMENT

I. A RELIABLE, STABLE PUBLIC DOMAIN SUPPORTS CRITICAL ACTIVITY AND INVESTMENT.

Creativity builds upon the past, and the vast, shared public domain is arguably the richest source of raw material supporting new creativity. Just as Walt Disney drew from public domain fairy tales to create prolific, culture-defining films like *Snow White and the Seven Dwarfs*, all creators stand upon the shoulders of those who came before them.[7] Deciding whose shoul-

[7] Disney's dependence upon the public domain for new creativity was particularly impressive: *Alice in Wonderland* (1951) was based upon Lewis

ders to stand upon often turns on whether a particular work is in the public domain. Creators have long come to depend upon a public domain filled with work free to use, for any reason, in perpetuity.

To date, countless creators have made incalculable investment relying upon the public domain. One prominent example is the world's largest online open collaboration encyclopedia, Wikipedia. With more than 17 million articles in more than 270 languages, Wikipedia contains an astounding wealth of information, all of which is available free to the public under the Creative Commons Attribution-ShareAlike 3.0 license. Not surprisingly, public domain material is critical to this massive collaboration. Hundreds of thousands of Wikipedia articles utilize public domain images, videos, and sound files to enhance the educational value of its articles. If public domain status is impermanent, this game-changing collaboration is compromised.

This result follows for all work that builds upon the public domain, whether licensed publicly using Creative Commons or shared via privately negotiated licensing agreements. For work such as Wikipedia ar-

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Carroll's 1865 novel; *Snow White* (1937) and *Cinderella* (1950) were based upon *Grimms' Fairy Tales*; *Pinocchio* (1940) was based upon work by Carlo Collodi; *The Little Mermaid* (1989) was based upon work by Hans Christian Andersen; *The Jungle Book* (1967) was based upon work by Rudyard Kipling; and *Hunchback of Notre Dame* (1996) was based upon work by Victor Hugo. *Fantasia* (1940) used public domain music extensively. In each case, the work that Disney relied upon was in the public domain when Disney's derivative was released. *See* Russell Merritt & J.B. Kaufman, *Walt in Wonderland* 86–119 (1993). Were Congress to have a general power to "restore" copyright, each of these works would potentially be vulnerable. *See generally* Lawrence Lessig, *Free Culture: How Big Media Uses Technology and the Law to Lock Down Culture and Control Creativity* 21–25 (2004).

ticles licensed using a CC license, however, a modification of the principle of irrevocability that has governed the public domain to date would have a disproportionately large and destructive effect. By design, CC licenses facilitate discovery and reuse at unprecedented speed by many thousand licensees. Work so licensed can be quickly discovered, viewed, downloaded, modified (where the CC license permits), and re-published online. Thus, the number of people depending upon the ongoing public domain status of material underlying CC-licensed work—whether licensors or licensees—is vast, and would be compromised if the URAA is upheld. If copyright may be restored in underlying public domain work, CC licensors of derived work would find themselves in the untenable position of having no choice but to secure permission from the restored rights holders or be at risk for infringement, as revocation of CC licenses is not possible. Without that permission (which could be freely withheld by the rights holder), CC licensors and all downstream users of CC-licensed work built on public domain material become potential copyright infringers, through no fault of their own.

II. THE ACTION OF THE FRAMERS IN ESTABLISHING THE FIRST COPYRIGHT ACT PROVIDES NO PRECEDENT FOR THE URAA.

The government argues that the action of the First Congress in establishing the first copyright act (the "Act of 1790") is precedent for the URAA. Brief for the Respondents in Opposition at 14 n.7. This argument rests upon confusion, based on an imprecise use of the term "public domain."

A. "The public domain" only exists relative to the laws of a particular legal jurisdiction.

As Justice Story described it, the Progress Clause was designed to: "admit the people at large, after a short interval, to the full possession and enjoyment of all writings and inventions without restraint." J. Story, *Commentaries on the Constitution of the United States* § 502, p. 402 (R. Rotunda & J. Nowak eds., 1987).

That "full possession and enjoyment ... without restraint" is "the public domain." But as copyright law is local law, any reference to "the public domain" must necessarily be relative to the laws of a particular jurisdiction. Thus, with respect to a particular work and a particular jurisdiction, "the people" may have "the full possession and enjoyment ... without restraint." But for the same work in a different jurisdiction, the law may still impose a "restraint," and thus not be in "the public domain."

To see this point clearly, consider three jurisdictions, the United States, Canada, and North America, and one work, E.M. Forster's novel, *A Room with a View*.

A Room with a View was published in the United States in 1908. It therefore passed into the public domain of the United States in 1983 (75 years after publication). In Canada, the term of copyright is reckoned differently. Under Canadian law, *A Room with a View* will not enter the public domain of Canada until 2020 (50 years after the death of Forster). Thus, *A Room with a View* is now in the public domain of the United States, but not in the public domain of Canada. And thus it follows, *A Room with a View* is also not in the

public domain of the jurisdiction comprised by the United States and Canada together—North America.

This example throws into relief the confusion at the core of the government's argument. The government asserts that the Act of 1790 restored the copyrights in work that was in the public domain of the United States. Brief for the Respondents in Opposition at 14 n.7. But for that claim to be true in 1790, the restored work must have been in the public domain of every state in the country in 1790. That plainly was not the case. As *Amicus* argues below, even if a work was in the public domain of some states in 1790 (like *A Room with a View* is in the public domain of the United States today), if it was not in the public domain of every state (as *A Room with a View* is not in the public domain of Canada), then it was not in the public domain of the jurisdiction comprised by every state—"the United States" (just as *A Room with a View* is not in the public domain of North America).

B. In 1790, there was no "public domain of the United States" because at least one state granted perpetual common law copyright protection even after publication.

The Act of 1790 secured a federal copyright under U.S. law to work that was "already printed." Act of May 31, 1790, ch. 15, § 1, 1 Stat. 124. Certainly, some of the work eligible for protection under that statute may have been in the public domain *of some states*. But *none* of the work eligible for protection under the Act of 1790 was in the public domain *of every state*. And thus, *none* of the work secured by the Act of 1790 could be said to have been within "the public domain of the United States."

1. Before 1790, New York common law copyright protected creative work after publication.

Since the early 18th century, the common law of the several states has secured copyright protection to authors for their creative work. The scope of that protection, however, has differed depending upon the state. In every state, the common law granted protection prior to a work's publication. But in some states, before 1790, the common law secured protection for a work *even after its publication*. It follows that in those states, at least before 1790, there was no public domain—since again, the law protected a work even after publication, wherever that work had originally been created.

New York is one such jurisdiction. As the New York Court of Appeals confirmed in *Capitol Records, Inc. v. Naxos of Am., Inc.*, 830 N.E.2d 250 (N.Y. 2005), the common law of New York secured copyright protection to creative work even after publication.[8] For literary work, that protection was preempted by the Act of 1790. *See* Act of May 31, 1790, ch. 15, § 1, 1 Stat. 124. But prior to 1790, both literary and other creative work in New York received the benefit of a perpetual copyright, wherever it was created, and even after

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[8] The issue in *Capitol Records* was whether New York common law copyright protected a sound recording that had entered the public domain in the jurisdiction in which it was created. 830 N.E.2d at 253–54. In the Court's careful and extensive opinion, it surveyed the history of common law copyright in the state, and concluded that the law had always protected creative work perpetually, whether or not published. *Id.* at 264–65. That protection thus extended to recordings not preempted by federal law (as all recordings fixed prior to 1972 are until 2067).

publication. It follows that in 1790, there was no creative work in New York that was free of copyright restraints. Or put differently, it follows that in 1790, there was no public domain in New York.

This finding by New York's highest court must guide this Court in its understanding of New York state law. *See Erie R. Co. v. Tompkins,* 304 U.S. 64 (1938). It should also guide this Court in its determination of whether in 1790 there was a "public domain of the United States."[9] If the "public domain of the United States" is comprised of that work free of copyright "restraint" throughout the United States, then *Capitol Records* means that before the Act of 1790, there was no "public domain of the United States." Since under the law of at least one state, copyright was perpetual, even after publication, there was no work that was free of copyright restraint throughout the jurisdiction of the United States.

2. The view that common law copyright would protect a work after publication was not uncommon at the Framing.

New York's rule was not the majority rule. But, as shown below, neither was it likely unique. The question of whether common law copyright survived publication was the central question about the nature of copyright throughout much of the 18th and 19th centuries. Whether the right survived publication was precisely the issue in the two most famous British common law copyright cases—*Millar v. Taylor*, 98 Eng. Rep. 201 (K.B. 1769); 4 Burr. 2303, and *Donaldson v.*

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[9] This conclusion was not certain when this Court decided *Eldred v. Ashcroft,* 537 U.S. 186 (2003). The Court, therefore, explicitly reserved the question in that case. *See id.* at 196 n.3.

Beckett, 1 Eng. Rep. 837 (H.L. 1774); 2 Bro. P.C. 129. It was also precisely the question at issue in all but two of the cases cited and discussed by this Court in *Wheaton v. Peters*, 33 U.S. 591 (1834).[10] Even at the time of *Wheaton*—almost 50 years after the founding and exactly 60 years after *Donaldson*—this Court could remark that the question of any common law right after publication was "still considered, in England, as a question by no means free from doubt." 33 U.S. at 657. For even then, while some jurisdictions recognized perpetual copyright after publication, others did not.

There is no extensive record of the Framers' views about common law copyright. But it is clear that at least James Madison believed that copyright after publication was protected by the common law. In Federalist 43, Madison wrote, "the copyright of authors has been solemnly adjudged in Great Britain to be a right of common law." *The Federalist No. 43* (James Madison). The "common law copyright" Madison was referring to was copyright after publication. His view is consistent with the only prominent British cases, and certainly the only cases for which Madison is likely to have had any reports—*Millar* and *Donaldson*. *Millar* found a common law right after publication. *See generally*, 98 Eng. Rep. 201. *Donaldson* held that even if a claim for post-publication rights "would have lain, at common law, [it is] taken away by the statute of Anne." *Wheaton*, 33 U.S. at 679.[11] As the Statute of

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[10] The two are *Percival v. Phipps*, 2 Ves. & Beam. 19 (1813), and *Pope v. Curl*, 26 Eng. Rep. 608 (Ch. 1741); 2 Atk. 342. *See Wheaton*, 33 U.S. at 675–76.

[11] The New York Court of Appeals in *Capitol Records* explained that in *Donaldson*, "The judges determined that the common law

Anne did not reach the United States, Madison's opinion about the common law in the several states was plainly reasonable, if not obviously correct.[12] It is also consistent with the holding of the New York Court of Appeals, and therefore with the conclusion that there was no "public domain of the United States" in 1790 from which the Act of 1790 could have restored any work to copyright.

3. The Act of 1790 was designed to abolish this conflict in common law copyright among the states.

In the courts below, the government has cited the late Professor Crosskey for the proposition that most states were hostile to the notion of common law copyright. *See* 1 William Crosskey, *Politics and the Constitution in the History of the United States* 477 (1953), *quoted in* Brief for Appellees in No. 05-1259 (CA10). No doubt that is correct. But even if "most states" were "hostile," the relevant question is whether all states had abolished it.

Plainly, they had not. *Capitol Records*, for one, holds that New York had not. Two other states besides New York had likely not either. Connecticut and

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recognized a right of first publication [vote was 8-3] and that the common-law copyright protection extended beyond first publication into perpetuity. By a 6-5 margin, the judges . . . concluded that the Statute of Anne was intended to abrogate the common law with respect to the duration of copyright protection." 830 N.E.2d at 256 (citations omitted).

[12] Again, as the *Capitol Records* court reasoned, "In the midst of the Revolutionary War and transformation of the British colonies into independent states and commonwealths, it was generally presumed that colonial common law, derived from English law, should be applied as long as it was consistent with the acts of the colonial legislatures." 830 N.E.2d at 256.

Georgia both had identical common law savings clauses in their state law—the same clause relied upon by the New York Court of Appeals to conclude that New York common law recognized a perpetual copyright even after publication. *See* U.S. Copyright Office, Library of Congress, *Copyright Enactments: Laws Passed in the United States Since 1783 Relating to Copyright* Bulletin Nos. 3, 18 (rev. ed. 1973). In all three of these states, therefore, it is likely that state law recognized perpetual rights even after publication.

It was in part to eliminate this conflict, as Professor Crosskey explained, that the Framers established the federal power. As Crosskey wrote, the Constitution's aim was "to extinguish, by plain implication of 'the supreme Law of the Land,' the perpetual rights which authors had, or were supposed by some to have, under the Common Law." 1 William Crosskey, *Politics and the Constitution in the History of the United States* 486 (1953). Until that conflict was extinguished, there would be no uniform copyright law across the United States, and therefore, no possibility of a "public domain of the United States." Crosskey's argument thus confirms the point Petitioners in this case have made: that the Act of 1790 created the public domain. It did not restore work from a public domain, since no such public domain existed prior to that Act.

C. The First Congress' treatment of state common law copyrights by the Act of 1790 is consistent with the treatment of analogous rights by subsequent Congresses.

Since 1790, Congress has dealt at least twice with state created rights that were perpetual in at least some states. In both cases, Congress' treatment of

those perpetual rights was identical to its treatment in the Act of 1790.

In 1976, for example, Congress preempted state protection of "sound recordings." Prior to the 1976 Act, federal law did not protect sound recordings. Any copyright protection for those creative works thus came from state law. As this Court held in *Goldstein v. California*, 412 U.S. 546 (1973), state common law copyright protected sound recordings in at least some states. Where state law did protect sound recordings, that protection was ordinarily "perpetual."

The 1976 Act, however, preempted this regime of state protection. Under the 1976 Act, sound recordings fixed after February 15, 1972, received a federal copyright. Sound recordings fixed before February 15, 1972, were unaffected by the federal act until 2047 (now 2067 as amended by the Sonny Bono Copyright Term Extension Act, 17 U.S.C. § 301(c)). Thus, the effect of the 1976 Act was to terminate the perpetual protection of sound recordings that existed in some states, and secure a federal right to creators of sound recordings that would operate in all states.

This is precisely the pattern of the Act of 1790. In 1976, as in 1790 with literary work, one could not have said that any sound recording was "in the public domain of the United States," since even if a particular state did not grant copyright protection for sound recordings, many states did. When Congress then established a federal right, it did not "restore" from the public domain of the United States the copyright to sound recordings, free under some states' laws while not free under others. It instead terminated the perpetual right that existed in some states, in order to give a uniform right throughout the United States. As the House Committee Report stated, state copyright own-

ers should not "in effect be accorded perpetual protection." H.R. Rep. No. 94-1476, § 301, *reprinted in* 1976 U.S.C.C.A.N. 5659, 5749, even when "the scope of common law rights" might have been greater than the rights granted by Congress. *Id.* at 5747.

The same pattern held for copyrights in unpublished work. Here again, prior to the 1976 Act, unpublished work was only protected by state common law copyright. In the ordinary case, the term of that protection was perpetual. In the 1976 Act, Congress preempted that state protection. As the House Report stated, "the bill would place a time limit on the duration of exclusive rights in them [and make] unpublished undisseminated manuscripts available for publication after a reasonable period." *Id.* at 5749. Congress' purpose again was not to restore to copyright any work that might have passed, under the laws of any state, into its public domain. Rather, Congress' purpose was to terminate any perpetual copyright after a "reasonable period," *id.*, so that it would pass into the public domain uniformly under U.S. law.

In both cases, Congress approached the problem of perpetual state rights in the same way that it addressed that problem in 1790: by federalizing the protection, terminating the perpetual right, and securing a federal right for a uniform period to all. In none of these three cases could one accurately state that Congress had "restored the copyright" to work that was in "the public domain of the United States." No doubt, in each case, the effect of Congress' act might have been to secure protection in particular states where copyright protection had lapsed. But it did not restore protection in every state, and so, not in the United States as a whole, since in each case protection had not lapsed in all of the states.

D. Unlike the Act of 1790, the URAA restored copyright to work that was in the "public domain of the United States."

The URAA purports to "restore" the copyright to work that had clearly passed into the "public domain of the United States." Prior to the URAA, that work was free of "any restraint" under the laws in existence *throughout the jurisdiction* of the United States. After the URAA, the work was again subject to copyright's "restraint" throughout the jurisdiction of the United States.

In neither 1790 (with respect to state common law copyrights), nor 1976 (with respect to sound recordings, and unpublished works) can the same be said. In neither case was there work that was "free of 'any restraint' throughout the jurisdictions comprising the United States.'" In both cases, while particular works may have been free of restraint under laws in particular parts of the United States, none was free of restraint throughout all of the United States.

This fundamental difference demonstrates that the Act of 1790 is not precedent for the URAA. Instead, the URAA is unique in the history of American copyright law in its massive restoration of work from the public domain *of the United States.*

III. *ELDRED V. ASHCROFT* PROVIDES NO PRECEDENT FOR THE URAA.

Petitioners have rightly emphasized the fundamental distinction between the URAA and the Sonny Bono Copyright Term Extension Act (the "CTEA"). The CTEA continued a practice begun with the Act of 1831, extending the term of subsisting copyrights when it extended the term for new copyrights. By con-

trast, the URAA begins a radically different and new practice of restoring work from the public domain in the United States.

There is, however, a second sense in which the URAA is unique.

The CTEA was part of a general statute revising the term of copyright. It did not legislate with respect to any particular work. It instead applied its rule to all subsisting works, and all future work.

By contrast, the URAA is not a general statute. It instead picks out a select set of work in the public domain of the United States, and restores that work to select copyright holders.

The general practice upheld in *Eldred* does not justify this targeted restoration. More importantly, the precedent that would be established from upholding a targeted restoration would certainly render the public domain perpetually vulnerable.

As the government has argued this case, the only question this Court should ask when reviewing a statute that restores work to copyright from the public domain is whether there is an "important governmental interest" behind the restoration.

In this case, that interest is harmonization. But there is nothing in the government's reasoning that would limit the particular federal interest. On the government's account, Congress ought to be free to auction off the public domain as a way to help raise funds for the Treasury, just as the government auctions spectrum, or sells public lands.

The difference, however, between copyrights and spectrum or public lands is that the Constitution explicitly conditions Congress' power over copyrights,

and does not explicitly condition Congress' power over these other public resources.[13] The Progress Clause requires that copyright terms be "limited." The purpose of that plain language is to secure a public domain. This Court should read that clause in a manner that respects that purpose, and gives meaning to its limits on Congress' power.

Congress is free to set the term of copyright as long as it likes (so long as the term is limited); it is even free to extend the term of a subsisting copyright (again, so long as the extension is "limited"). But it should not, under the Progress Clause, have the power to restore a copyright to a work that has entered the public domain—at least if the Progress Clause is to be accorded any substantial meaning.

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[13] Though the Public Trust Doctrine historically did limit Congress' power to dispose of public resources, and some have argued that same limitation should constrain Congress' power over intellectual property. *E.g.*, Richard Epstein, *The Dubious Constitutionality of the Copyright Term Extension Act*, 36 Loy. L.A. L. Rev. 123, 156–57 (2002).

CONCLUSION

Our Constitution is unique in the manner in which it secures the power to grant monopolies over speech. *Amicus* urges this Court to honor this difference, by recognizing limits in the scope of the Progress Clause that would make sense of the plain intent of our Framers to cabin this power carefully.

For the foregoing reasons, the decision of the 10th Circuit Court of Appeals should be reversed.

Respectfully submitted,

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AMICUS CURIAE BRIEF

No. 10-545

IN THE

Supreme Court of the United States

LAWRENCE GOLAN, et al.,

Petitioners,

v.

ERIC HOLDER, JR., ET AL.,

Respondents.

On Writ of Certiorari to the United States Court of Appeals For The Tenth Circuit

BRIEF OF PETER DECHERNEY AS *AMICUS CURIAE* IN SUPPORT OF PETITIONERS

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TABLE OF CONTENTS

Page

TABLE OF AUTHORITIES iv

STATEMENT OF INTEREST 1

SUMMARY OF ARGUMENT 2

ARGUMENT 3

I. HOLLYWOOD HAS RELIED ON A STABLE PUBLIC DOMAIN THROUGHOUT ITS HISTORY 3

A. The Public Domain Facilitated the Birth of the Film Industry 4

B. The Public Domain Brought Stability to Hollywood 5

C. The Popularity of Public Domain Works Encourages Investments in New Film Genres and Technologies 8

1. Genres Have Been Founded Using Public Domain Works 8

2. A Stable Public Domain Has Sustained Hollywood Through Crises 10

3. Section 514's Destabilization of the Public Domain Cannot Be Justified Simply Because Hollywood Recently Has Relied Less Heavily On Public Domain Works 11

TABLE OF CONTENTS – Continued

Page

D. The Public Domain was Built Into the Design of the Studio System 12

1. "Music Detectives" 12

2. The Motion Picture Association of America Continues to Manage Artificial Rights in Public Domain Works 14

II. THE PUBLIC DOMAIN HAS BEEN A GATEWAY TO THE INDUSTRY 15

A. Independent Producers 16

1. Walt Disney 16

2. More Independent Producers Who Relied on the Public Domain to Launch Their Careers 18

B. Independent Distributors 19

1. New Line Cinema 20

2. Thunderbird Films: From Piracy to Public Domain Distributor 20

III. THE ABSENCE OF A STABLE PUBLIC DOMAIN ENDANGERS THE PRESERVATION AND STUDY OF FILM HISTORY 22

A. Politically and Historically Important Works Can No Longer Be Studied 22

B. Preservation and Restoration 23

TABLE OF CONTENTS – Continued

Page

CONCLUSION 24

APPENDIX A: Highest Grossing Movies Based on Public Domain Source Material 1a

APPENDIX B: American Films and Television Productions Inspired by or Adapted From Alice's Adventures in Wonderland 3a

TABLE OF AUTHORITIES

CASES

Bonito Boats v. Thunder Craft Boats, 489 U.S. 141 (1989) 3

Dmitry Shostakovich v. Twentieth Century-Fox Film Corporation, 80 N.Y.S.2d 575 (N.Y. Sup. Ct. 1948), aff'd, 87 N.Y.S.2d 430 (N.Y. App. Div. 1949) 22

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Kalem Co. v. Harper Bros., 222 U.S. 55 (1911) 5

Soc. Le Chant de Monde v. Soc. Fox Europa, Cour d'appel [CA] [regional court of appeal] Paris, 1e ch., Jan. 13, 1953, Gaz. Pal. 1953, 191, note Ancel (Fr.) 23

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Congressional testimony on the Sonny Bono Copyright Term Extension Act. (CR.144.H9952) 25

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Frances Taylor Patterson, *Cinema Craftsmanship: A Book for Photoplaywrights* 81 (1st ed. 1920) 6

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Gary Susman, *Napoleon Branding*, Entertainment Wkly., Oct. 16, 2003 15

INTERESTS OF AMICUS CURIAE[1]

Peter Decherney is Associate Professor of Cinema Studies and English at the University of Pennsylvania. He is the author of *Hollywood's Copyright Wars: From Edison to the Internet* (forthcoming from Columbia University Press), the first comprehensive treatment of the impact of copyright law on the American film industry. He is also the author of *Hollywood and the Culture Elite: How the Movies Became American* and numerous articles on media history and regulation. His work on film and television copyright has been supported by the Academy of Motion Picture Arts and Sciences and the American Council of Learned Societies.

Amicus Decherney is a scholar who has studied the history of the impact of copyright law on the United States film and television industries. He is interested in assuring that Congressional enactments, including the Uruguay Round Agreements Act, do not alter the traditional contours of copyright law's historic role in these industries. To this end, and in order to aid the Court in its deliberations, he presents a summary of his understanding of the role that the public domain has

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[1] In accordance with Supreme Court Rule 37.6, *Amicus Curiae* states that: (1) no counsel to a party authored this brief, in whole or in part; and (2) no person or entity, other than *amicus* and counsel have made a monetary contribution to the preparation or submission of this brief. The written consents of the parties to the filing of this brief have been filed with the Clerk of the Court pursuant to Supreme Court Rule 37.3.

played in the development of the American film and television industries.

SUMMARY OF ARGUMENT

The history of the motion picture and television industries' longstanding reliance on public domain source materials demonstrates that these intended beneficiaries of copyright law structured their businesses on the understanding that the Constitution withholds from Congress the power to strip the public of its vested right to use source materials and other expressive resources in the public domain. This history also helps one to descry the traditional contours of copyright protection within these industries and shows that Section 514 of the Uruguay Round Agreements Act transgresses a traditional and important boundary in copyright law by annexing a significant portion of the public domain. Further, the uncertainty that would result from Respondents' interpretation of the Constitution, which would render public domain works only contingently available for reuse, would retard the growth of these economically significant industries; erect surprising and substantial barriers for new entrants into the industry; threaten investments in film preservation and archiving; and curtail the scope of research and teaching for those who study and write about the history of film and television.

ARGUMENT

I. HOLLYWOOD HAS RELIED ON A STABLE PUBLIC DOMAIN THROUGHOUT ITS HISTORY

This Court has already made clear that Article I, Section I, Clause 8 of the Constitution withholds from Congress the power to "authorize the issuance of patents whose effects are to remove existent knowledge from the public domain, or to restrict free access to materials already available." *Bonito Boats v. Thunder Craft Boats*, 489 U.S. 141, 146 (1989) (quoting *Graham v. John Deere Co. of Kansas City*, 383 U. S. 1, 6 (1966). This rule protects the public's vested interest in innovating by reusing and adapting technologies that have entered the public domain. There is no copyright exception to this rule that can find support in the Constitution or in the history of copyright.

As has been the case with other industries that produce and distribute works of popular culture, the culturally and economically important motion picture and television industries have implicitly relied on this rule throughout their history when making financial and expressive investments in retelling public domain stories or incorporating other public domain sources, such as music. Moreover, to the extent that these investments have been expressive, they also reflect implicit reliance on the First Amendment freedom to express oneself through the retelling or adaptation of a work originally told by another.

A. The Public Domain Facilitated the Birth of the Film Industry

When the Edison Manufacturing Co. began to show films commercially in the United States in 1894, an American industry was born. While inventive in many respects, this industry borrowed extensively from other media, including magic lantern slideshows, theater productions, and newspaper comics, to develop the elements of cinematic storytelling as well as the stories themselves.[2] In their efforts to develop this new industry, filmmakers incorporated stories wholesale from newspapers, plays, and books without regard to the copyright status of these sources. In particular, the Motion Picture Patents Company (MPPC), the patent trust that dominated the early American film market, built its business by producing unauthorized adaptations of books and plays.[3] Public domain works, such as bible stories, fairy tales, and Shakespeare's plays proved to be particularly valuable as the MPPC courted a middle class audience. These familiar public domain works brought in audiences from all backgrounds. And because film companies were able to align themselves with the traditions of accepted art and literature, the movie industry branched out from its

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[2] See Charles Musser, *The Emergence of Cinema: The American Screen to 1907* (1990).

[3] Peter Decherney, *Hollywood's Copyright Wars: From Edison to the Internet* (Columbia University Press, forthcoming).

urban, ethnic, working-class origins to become the dominant medium of American entertainment.[4]

B. The Public Domain Brought Stability to Hollywood

This Court's decision in *Kalem Co. v. Harper Bros.*, 222 U.S. 55 (1911) largely curbed the growing industry's indifference to the copyright status of its sources. Unable to adjust to this new legal environment, the MPPC collapsed, and a new institution—one commonly referred to as "Hollywood"—arose in its place.[5] The newly formed studios developed a dual strategy for managing risk and competition. On one hand, they became vertically integrated, and film producers developed exclusive relationships with book publishers and Broadway producers. Film producers began to exploit their exclusive licenses to copyrighted works in order to prevent direct competition from their rivals, and this focus on exclusive rights to source material seemed to signal a move away from the heavy use of public domain works. One popular how-to guide even warned budding screenwriters to stay away from the public domain entirely, because studios did not want competition from other

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[4] *See generally* Robert Sklar, *Movie-Made America: A Cultural History of American Movies*, rev. and exp. (Vintage Books, 1994).

[5] Decherney, *supra* note 3.

producers who could easily make their own versions of public domain works.[6]

On the other hand, managing the risk of failure was far more important than guarding against competition. As a result, the studios adopted structural and narrative strategies that promoted stability. Structurally, studios developed the star system, knowing that audiences could be counted on to buy tickets to see their favorite stars regardless of the films that they were in. Similarly, the genre system promised audiences familiar plots and characters, and during the golden age of the studio system, individual studios developed consistent "house styles"; audiences could count on MGM films to look like MGM films. These differences, however, were relatively minor because studios shared the goal of managing risk by adhering to tested formulas. In the 1910s and 1920s, cameramen, art directors, and other studio personnel developed a classical Hollywood style of cinematography, acting, and editing that remains largely unchanged today.[7] And, as every cinemagoer knows, the industry is prone to cycles in which every successful film spawns dozens of clones.

A stable public domain has been, and remains, the most dependable tool in Hollywood's arsenal of risk-mitigating and stabilizing measures. Public domain works are time-tested; they have name recognition;

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[6] Frances Taylor Patterson, *Cinema Craftsmanship: A Book for Photoplaywrights* 81 (1st ed. 1920).

[7] *See generally* David Bordwell, Janet Staiger, & Kristin Thompson, *The Classical Hollywood Cinema* (1985).

and they come with built-in audiences. In the 1970s, studios began to look for "presold" films—films based on proven properties like the bestselling novels *The Godfather* (1972) and *Jaws* (1975).[8] But "presold" was only a new name for a practice that had been the backbone of the American film industry since the days of Edison. And the use of public domain stories has consistently provided a solid foundation for the risky business of producing entertainment media in the United States. For every bestselling novel that studios adapted to the screen in the 1970s, there was also a public domain classic, from Disney's *Robin Hood* (1973) to Stanley Kubrick's *Barry Lyndon* (1975).

If any business has depended on the stability and replenishment of the public domain, it is Hollywood, which has derived more profit from reusing public domain works than any other industry in history. [*see* Appendix A] Moreover, without a stable public domain, film studios would be forced to make decisions that introduce new risks to their business while the traditional contours of this major American copyright industry are changing.

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[8] *See generally* Peter Biskind, *Easy Riders, Raging Bulls: How the Sex-Drugs-and-Rock'n'Roll Generation Saved Hollywood* (1998); Douglas Gomery, *The Hollywood Studio System: An Introduction* (2005); Thomas Schatz, *The New Hollywood*, in *Film Theory Goes to the Movies* 8, 8-36 (Jim Collins, Hilary Radner & Ava Preacher Colli eds., 1993); Geoff King, *New Hollywood Cinema: An Introduction* (2002).

C. The Popularity of Public Domain Works Encourages Investments in New Film Genres and Technologies

The public domain has proven to be especially important to Hollywood during technological, financial, and artistic upheavals. At each critical juncture, the industry has depended on the cultural persistence of public domain titles for sustenance. For example, Hollywood has turned repeatedly to Lewis Carroll's *Alice's Adventures in Wonderland* (1865) and *Through the Looking-Glass, and What Alice Found There* (1871). Film adaptations of these classic stories accompanied the introduction of film to American audiences, the establishment of the studios, the transitions to sound, the introduction of color, the advent of television, the move to widescreen, and most recently the revival of 3-D cinema. *See* Appendix B. Reusing familiar public domain works creates continuity during times of change and disruption, and continuity of content allows for technical, artistic, and commercial experimentation.

1. Genres Have Been Founded Using Public Domain Works

Whole cinematic genres have been founded in reliance on public domain narrative material, greatly reducing the risk of creating new categories of film and television from scratch. Many early filmmakers, for example, including Georges Méliès and Siegmund Lubin, pioneered the genre of the science fiction film by adapting Jules Verne's work. And Verne has remained a staple of American film- and television-

making. There has been a Verne screen adaptation released almost every year since 1902.[9] At one point in the early 1960s, as the space race with the Soviet Union began to intensify, so many studios had Verne adaptations in production that the *New York Times* was moved to declare Verne, "the most popular author in Hollywood."[10]

The financially successful genre of the horror film was founded in reliance on public domain sources as well. In the midst of both the Great Depression and the transition to sound film, Universal Studios licensed two theatrical adaptations of public domain novels, Mary Shelly's *Frankenstein* and Bram Stoker's *Dracula*. Together, these films inaugurated the 1930s cycle of horror films. The success of these two groundbreaking films spawned many original horror films, and the horror genre helped sustain Hollywood during the remainder of the Depression. It is unlikely, however, that studios would have taken a chance on developing a new film genre at that time without the support of resilient, popular public domain stories.

In both of these instances, the public domain served not just as a repository of shared heritage but also as an agent facilitating the creation of new expressive works, consistent with the goals of copyright.

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[9] The list of Verne adaptations on the Internet Movie Database, counts 143 to date.

[10] Gladwin Hill, *Hollywood Cycle*, N.Y. Times, Mar. 26, 1961, at X9.

2. A Stable Public Domain Has Sustained Hollywood Through Crises

More recently, Hollywood producers have regularly returned to the well of the public domain during times of crisis in the industry. In the 1990s, for instance, the Miramax Company, New Line Cinema, and other independent film producers began to make significant inroads into the American box office and home video markets with literate films, including *My Own Private Idaho* (1991) (based on Shakespeare's *Henry IV*) and a string of Jane Austen and Henry James adaptations, all based on public domain works. Hollywood studios responded with their own cycle of adaptations of European and American public domain literature, including *The Last of the Mohicans* (1992), *The Three Musketeers* (1993), *The Age of Innocence* (1993), and *Romeo + Juliet* (1996).

Hollywood is in crisis mode again today, responding to competition from other forms of entertainment, combating piracy, and trying to justify heavy investments in 3-D technology. In this environment, original films such as *Avatar* (2009) are aberrations. As they have in the past, Hollywood studios have returned to tried and trusted titles. It is telling that the second most successful 3-D film after *Avatar* is Tim Burton's new take on *Alice in Wonderland* (2010). As has been the case for over 100 years, the name recognition and familiar characters of *Alice* continue to smooth the transition to new technologies; when audiences decide to spend more money to experience the novelty of a 3-D film, it is easier to imagine how a trusted public domain

property will look than to hazard their extra dollars on a new film.

3. Section 514's Destabilization of the Public Domain Cannot Be Justified Simply Because Hollywood Recently Has Relied Less Heavily On Public Domain Works

In addition to relying on stable public domain works, Hollywood recently has adopted a strategy of self-cannibalization as a risk management strategy. Studios are "rebooting" faded series (*The Muppets*, *Planet of the Apes*, and *Winnie the Pooh*), remaking works from other media (*The Green Lantern* and movies based on the toys Stretch Armstrong, Battleship, and Magic 8 Ball), spin offs (*Puss and Boots* [spun off from the *Shrek* series]), prequels (*Star Trek*, *X-Men: First Class*), and of course sequels (*Scream 4*, *Mission Impossible: Ghost Protocol*, and *Fast Five*, among many others). Most recent 3-D movies have been sequels (*Kung Fu Panda 2*, *Toy Story 3*, *Shrek Forever After*, *Tron Legacy*, *Pirates of the Caribbean: On Stranger Tides*, etc.), where in previous eras studios might have drawn more heavily on the public domain. The current year, 2011, will see more sequels than any year in history,[11] including the fifth installment of *Planet of the Apes* and the eighth *Harry Potter* movie (both being released in 3-D).

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[11] Brandon Gray, *2011 Preview: Sequels-Now More than Ever*, Box Office Mojo (Jan. 28, 2011) http://boxofficemojo.com/news/?id=3063.

Hollywood has been permitted to build and sustain itself using public domain works, and the public domain has buttressed the industry through many crises and transitions. Moreover, the industry has depended upon the persistent popularity of public domain titles to ease the transition to new phases of growth. Without a stable public domain, American film companies have been forced to alter their approaches to new media and potential new developments. Section 514 of the Uruguay Round Agreements Act (URAA) was passed just as the Internet was becoming a viable medium for the distribution of Hollywood films and television shows. Hollywood has been unusually slow to develop content for the web. In part, this reflects the fact that the industry is adjusting slowly to its new copyright landscape. It is not a stretch to suggest that the shrinking public domain is a contributing cause. Without a robust and stable public domain, Hollywood has been denied its most reliable tool for embracing technological advances in production and distribution.

D. The Public Domain was Built Into the Design of the Studio System

The use of the public domain has been integral to the design of the studio system.

1. "Music Detectives"

Starting in the 1920s, for example, every studio employed a team of music librarians, known as "music detectives." The music detectives tracked down copyright information about potential film

music, and they maintained libraries of stock music. The most prized quality of a music detective was his or her ability to locate appropriate public domain compositions. They ensured that the studios did not pay royalties on public domain music, and they kept track of valuable works about to enter the public domain. George Schneider, who founded MGM's music library in 1928, reigned as the dean of music detectives for close to three decades. A 1947 *New York Times* profile of Schneider listed as one of his greatest accomplishments the discovery that studios had unwittingly been paying royalties on a public domain composition by Jacques Offenbach; the widely used piece had come to be shorthand for French café atmosphere.[12] The *Times* piece also noted the Holy Grail for music detectives: pinpointing the day when "Happy Birthday" would fall into the public domain. Schneider calculated that the event would occur in 1949, although the copyright status of "Happy Birthday" is still in dispute.[13]

Not only have studios taken advantage of works in the public domain, studio heads have also made calculated decisions and designed budgets with the expectation that their public domain music libraries would not unexpectedly disappear. For close to 100 years, producers have filled movie and television show soundtracks with public domain music with the expectation that they would not have to secure

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[12] Fred Stanley, *Film Tune Sleuths*, N.Y. Times, Aug. 17, 1947 at 60.

[13] *Id.* at 60; Robert Brauneis, *Copyright and the World's Most Popular Song*, 56 J. Copyright Soc. U.S.A. 335, 335-426 (2009).

rights again when works are rereleased theatrically or on video.

2. The Motion Picture Association of America Continues to Manage Artificial Rights in Public Domain Works

The Hollywood studios have also sought to control and ease the use of public domain works through the creation of a rights clearing house, which remains active and up to date today. The Motion Picture Producers and Distributors Association and later the Motion Picture Association of America have allowed producers to register their ideas and forthcoming titles. They have also been allowed to stake their claim on public domain material for a period of up to four years.[14] Obviously, this clearinghouse could not exist without the expectation that public domain works would remain free to be used, at least during their period of registration. These industry-made rights to public domain material did not always avoid disputes, such as the time in the 1960s when two producers had a public fight over the right to make a film about the Boxer Rebellion.[15] More recently, Mel Gibson changed the name of his 2004 film from *The Passion* to *The Passion of the Christ*, because Miramax had

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[14] David Pierce, *Forgotten Faces: Why Some of Our Cinema Heritage is Part of the Public Domain*, 19 Film History 125, 131 (2007); Gladwin Hill, *Any Titles to Spare?*, N.Y. Times, Mar. 16, 1947, at X5.

[15] Eugene Archer, *Producer Decries Movie Practices*, N.Y. Times, Sept. 15, 1961, at 30.

already claimed his first choice title.[16] But for the most part, writers and producers have respected their colleagues' claims, and the rights clearinghouse continues to facilitate Hollywood's reliance on the public domain. It manages competition, and it creates a market for studios to sell the rights to public domain works to other studios.[17]

II. THE PUBLIC DOMAIN HAS BEEN A GATEWAY TO THE INDUSTRY

As the Hollywood studio heads recognized in the wake of *Kalem*, reliance on the popularity of the public domain mitigated the studios' risk of failure. But the expressive freedom guaranteed by the public domain also presented the risk of competition both from other studios and from new entrants. Traditionally, the robust and stable public domain has facilitated independent producers and distributors entrance into the film and television business. New companies need to be able to access the same rich and expansive cultural heritage that facilitated the acceptance of movies in the 1890s and that has stabilized American film and television ever since. Without a stable public domain, the

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[16] The Miramax title referred to a novel about Napoleon and not a passion play. Nevertheless, this example demonstrates how the MPAA regulates the use of public domain works. *See* Gary Susman, *Napoleon Branding*, Entertainment Wkly., Oct. 16, 2003, *available at* http://www.ew.com/ew/article/0,,519051,00.html

[17] Thomas F. Brady, *Ferrer May Star in Film For Geiger*, N.Y. Times, Dec. 4, 1947 at 41; also Thomas F. Brady, *Hollywood Deals*, N.Y. Times, Feb. 1, 1948 at X5.

traditional cycle of industry renewal has been suspended.

A. Independent Producers

From Walt Disney to the team of Ismail Merchant and James Ivory (whose public domain adaptations include *The Europeans* [1979], *A Room With a View* [1985], *Howard's End* [1992]), film and television producers have adapted public domain material in order to enter the industry. As it has for Hollywood, the public domain has offered tested, recognizable, and popular material for new producers making risky investments in the media business.

1. Walt Disney

Independent animator Walt Disney's first forays into filmmaking included versions of the folk tales *Little Red Riding Hood, The Four Musicians of Bremen,* and *Jack and the Beanstalk* (all 1922). When he made his first feature-length film, it is no coincidence that he turned to the Brothers Grimm's version of the tale of *Snow White*. *Snow White* adaptations were already a staple of the American stage and screen by the 1930s. There had been at least three earlier film versions of *Snow White*, including a 1902 version by Siegmund Lubin, a 1916 version by the Famous Players-Lasky company (which eventually became part of Paramount), and a 1933 animated version by Disney's rival Max

Fleisher, featuring the character Betty Boop.[18] When Disney chose to use public domain material, he could count on audiences' familiarity with the characters as well as a fan-base that would come see the latest version of the fairy tale. With a major technical undertaking, it was also convenient to have a familiar story and characters to ground the film. When asked why he chose to make *Snow White*, Disney once remarked, because "it was well-known."[19] He also remembered having seen the play or film with a delighted audience when he was growing up in Kansas City.[20] Disney knew both personally and professionally that *Snow White* was a trusted property.

While he was making *Snow White*, Disney also considered making a film of *Alice in Wonderland* staring a live-action Mary Pickford in an animated world. (He had already made a series of films based loosely on the Alice character.) But Disney put the project on hold, because he believed that rights to *Alice* in the United Kingdom were not in the public domain. (The copyright term in the United Kingdom, however, seems to have ended in 1907.[21]) Disney was so committed to using public domain works that he was willing to wait until all of the rights were

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[18] The Betty Boop version remains a favorite among Betty Boop fans, and in 1994 it was named to the National Film Registry of the Library of Congress.

[19] Quote of Walt Disney *in* Neal Gabler, *Walt Disney: A Triumph of American Imagination* at 216 (2006).

[20] *Id.*

[21] John Davies, *Introduction*, to *The Illustrators of Alice* 11 (Graham Ovenden, ed., 1972)

clearly lapsed, and he finally released his version of *Alice* in 1951. This kind of patience is not a luxury that filmmakers have today.

2. More Independent Producers Who Relied on the Public Domain to Launch Their Careers

The ability to rely on the public domain has encouraged many other producers to enter film and television production using similar strategies. When the production company Grant-Realm decided to take a chance and make films for the relatively young medium of television in 1948, the company began by adapting nine public domain works by Guy de Maupassant, Nathaniel Hawthorne, and Robert Louis Stevenson, among others.[22] After MGM executive Samuel Bronston launched a career as an independent producer, he specialized in large-scale public domain creations, including *King of Kings* (1963), *El Cid* (1961), and the *Fall of the Roman Empire* (1964).[23] Another independent producer with an interest in music, Irving Allen, used public domain folk songs as the basis for a series of western films in the 1940s, and he patiently waited for Gilbert and Sullivan's operettas to enter the public domain so that he could make a compilation film

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[22] Thomas F. Brady, *Film Studio Lists Stories for Video*, N.Y. Times, Oct. 19, 1948, at 33.

[23] Archer, *supra* note 15, at 36.

from them.[24] He finally succeeded in 1952 with a short film titled *The Return of Gilbert and Sullivan*.

Today's independent producers can no longer expect new works to enter the public domain any time soon. They also have a smaller pool of public domain works to draw from than their predecessors. Section 514 of the URAA (1994) and the Copyright Term Extension Act (1998) have placed tangible barriers before the next generation of Walt Disneys and Ismail Merchants, who will have to find new methods of entering the entertainment business.

B. Independent Distributors

As the industry has matured, the once-copyrighted films from its earlier era have become a new pool of public domain resources upon which other industry actors rely. In particular, the availability of public domain films has traditionally been the starting point for cinephiles who want to enter the industry as distributors. Since the 1950s, many important filmmakers and industry executives have begun their careers by distributing 8mm and 16mm films and later video. Blackhawk Films, Cinema 16, Encyclopedia Britannica Films, Thunderbird Films, Reel Images, Lobster Films, Kino Video, Gartenberg Media, Milestone Films, and the Prelinger Archives, are just a few of the companies that have distributed public domain films.

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[24] Thomas F. Brady, *Movie is Planned on Savoy Operas*, N.Y. Times, June 24, 1950, at 6.

1. New Line Cinema

In 1967, a Columbia Law School graduate, Robert Shaye, decided that he wanted to enter the film industry. With very little capital, Shaye worked out of his Greenwich Village apartment and began distributing *Reefer Madness* (1936), European film classics, and other public domain films to universities. Twenty years later, Shaye's New Line Cinema had grown into a top tier independent producer–distributor, releasing hits such as *Rush Hour* (1998), *Austin Powers* (1997), and *Dumb and Dumber* (1995). In the 2000s, New Line produced the enormously successful *Lord of the Rings* trilogy (2001, 2002, 2003). As often happens, the road to the production of great financial and artistic achievement began with the public domain. That potential film executives today lack the same opportunities is a blow to the industry, the full impact of which may not be felt for decades. It is also an impact that will be impossible to gauge with precision because we have, as yet, no way of counting the films and television shows that are not produced, distributed, and viewed.

2. Thunderbird Films: From Piracy to Public Domain Distributor

Another public domain film advocate, Tom Dunnahoo, began as a bootlegger. In 1971, Dunnahoo was charged with selling a print of *Beach Blanket Bingo* (1965) to an undercover agent. After his arrest, he discovered the public domain, and realized that there was a legitimate route to entering the world of film distribution. Through Thunderbird

Films, he was soon distributing Shirley Temple films and Frank Capra classics.[25]

In the 1970s, these were the two routes available to undercapitalized fledgling film distributors: the public domain and piracy. Today, the options remain largely the same, except that the opportunity to distribute works that have recently entered the public domain has been foreclosed, and some of the most popular public domain works, like *Metropolis* (1927), *The Third Man* (1949), and Alfred Hitchcock's British films are no longer available to new distributors because their copyrights have been restored.

Since the 1990s, the landscape for independent distributors has changed. Hollywood studios acquired New Line Cinema, Miramax, Good Machine, and all of the large independent distributors.[26] Hollywood has periodically absorbed its independent rivals in an established cycle of competition and growth. But today the cycle is broken, and entry has been largely denied to the next wave of independent producers that would traditionally have been fed by the public domain.

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[25] Pierce, *supra* note 14 at 126.

[26] Anthony Kaufman, *Ghost of the Machine*, Village Voice (May 28, 2002).

III. THE ABSENCE OF A STABLE PUBLIC DOMAIN ENDANGERS THE PRESERVATION AND STUDY OF FILM HISTORY

A. Politically and Historically Important Works Can No Longer Be Studied

While copyright law at times serves as an engine of expression, it also has a long and tangled history with censorship. In film, which incorporates a range of works of authorship, the author of one work, a piece of music, might use the leverage afforded by copyright to censor distribution of a film to which the music's copyright owner objects. As a result, studios have also turned to public domain works when use of music that required copyright clearance might have suppressed important political statements. To take just one example, Hollywood's first major anticommunist film of the Cold War, William Wellman's defection drama, *Iron Curtain* (1948), used the music of important Soviet composers on its soundtrack. Music by Dmitri Shostakovich, Serge Prokofiev, Aram Khachaturian, and Nikolai Myaskovsky conveyed the cultural and emotional environment as no other musical choice could. After the film's release, the composers filed a lawsuit against Twentieth-Century Fox, the studio that made the film, in both French and United States courts. United States courts rejected the composers' moral rights claims,[27] but French courts allowed the

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[27] *Dmitry Shostakovich* v. *Twentieth Century-Fox Film Corporation*, 80 N.Y.S.2d 575 (N.Y. Sup. Ct. 1948), aff'd, 87 N.Y.S.2d 430 (N.Y. App. Div. 1949).

film to be enjoined from distribution in that country.[28] Because the works were in the public domain and filmmakers did not need to seek permission, *Iron Curtain* emerged as a seminal anticommunist statement in the 1940s.[29] Unfortunately, many of the musical compositions on the soundtrack have had their copyrights restored, and the film has only been distributed on a Spanish DVD, which cannot be played on region 1 DVD players sold in the United States. Generations of students have been prevented from studying an important cultural artifact.

B. Preservation and Restoration

Without permission from the copyright holder or an assurance that a work is solidly in the public domain, archives are unable to preserve a film, regardless of its importance or its imminent demise. Film deteriorates quickly. By most estimates, more than half of the films made before 1950 have already been lost forever, and more become endangered every year, many spontaneously igniting in vaults.[30] Preserving and restoring films is very expensive. A film preservation effort usually requires grant funding in addition to television and home video

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[28] *Soc. Le Chant de Monde v. Soc. Fox Europa*, Cour d'appel [CA] [regional court of appeal] Paris, 1e ch., Jan. 13, 1953, Gaz. Pal. 1953, 191, note Ancel (Fr.).

[29] Decherney, *supra* note 3.

[30] Center for the Study of the Public Domain, *Access to Orphan Films*, submission to the Copyright Office (March 2005); Dave Kehr, *Film Riches, Cleaned Up for Posterity*, N.Y. Times , Oct. 14, 2010.

licensing. Grant funders generally will not invest in film preservation unless the public domain status of the film is clear. Section 514 has added additional uncertainty to the already precarious act of preserving films. Now, archivists can no longer be certain that a film will remain in the public domain.

The Library of Congress has long recognized that "orphan films," those without clearly identified copyright owners, are at the greatest risk of deteriorating before preservation can be accomplished.[31] There is a reasonable expectation that many film studios and copyright holders will take an active interest in preserving films that they still control, while archives are free to preserve films in the public domain. But orphans fall between the cracks; they are neither looked after by their owners nor are they able to be cared for by those interested in saving history and serving posterity. In one fell swoop, Section 514 created thousands of new orphan works, and it sentenced many of the films among those works to oblivion.

CONCLUSION

Section 514 of the URAA has already had a dramatic and palpable effect on the American film and television industries, and it has upset the process of growth and renewal that made Hollywood a global leader in the entertainment industry. For

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[31] Report of the Librarian of Congress, *Film Preservation 1993: A Study of the Current State of American Film Preservation* 5(1993).

over 110 years, film companies have drawn on public domain works for stability during times of transition and crisis; independent media artists, producers, and distributors have drawn on public domain works in order to overcome the many barriers to entry into the entertainment industry; and archivists, students, and scholars have relied on works' remaining in the public domain so that those works may be saved from decay and extinction. Instead of growth and stability, we are seeing retrenchment and stagnation in many parts of the entertainment industry, from the transition to 3-D to the preservation of classic films.

It is often thought that all expansions of copyright benefit the Hollywood studios.[32] But history shows that the public domain has been one of the most important drivers of the studio system, and Hollywood needs a stable public domain in order to thrive. This Court found the CTEA to be constitutional, because it "has not altered the traditional contours of copyright protection." *Eldred v. Ashcroft*, 537 U.S. 186, 221 (2003). There is strong evidence that Section 514 of the URAA has altered those contours.

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[32] See, for example, the comments of Rep. Mary Bono: "Actually, [Rep.] Sonny [Bono] wanted the term of copyright protection to last forever. I am informed by staff that such a change would violate the Constitution. ... As you know, there is also Jack Valenti's proposal for the term to last forever less 1 day. Perhaps the Committee may look at that next Congress." Congressional testimony on the Sonny Bono Copyright Term Extension Act. (CR.144.H9952)

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APPENDIX

APPENDIX A

Highest Grossing **Movies Based** on Public Domain **Source Material**

Rank	Title	Studio	**Inflation Adjusted**	Actual Gross	Year
1	The Ten Commandment	Paramount	**$1,029,660,000**	$65,500,000	1956
2	**Snow White and the Seven Dwarfs**	Disney	**$856,740,000**	$184,925,486	1937
3	Pinocchio	Disney	**$529,790,200**	$84,254,167	1940
4	Around the World in 80	United Artists	**$507,876,900**	$42,000,000	1956
5	The Passion of the Christ	New Market Films	**$469,280,100**	$370,782,930	2004
6	Aladdin	Buena Vista (Disney)	**$412,196,800**	$217,350,219	1992

SOURCE: Box Office Mojo
(http://boxofficemojo.com/alltime/adjusted.htm; last accessed June 12, 2011)

APPENDIX B: American Films and Television Productions Inspired by or Adapted From *Alice's Adventures in Wonderland*

U.S. Film Adaptations of *Alice's Adventures in Wonderland*

Alice's Adventures in Wonderland (1910, Edwin S. Porter, Edison Manufacturing Company)

Alice in Wonderland (1915, W.W. Young, American Film Manufacturing Company)

Alice in Wonderland (1931, Bud Pollard, Metropolitan Studios)

Alice in Wonderland (1933, Norman Z. McLeod, Paramount Pictures)

Alice in Wonderland (1949, Lou Bunin, Lou Bunin Productions)

Alice in Wonderland (1951, Clyde Geronimi, Wilfred Jackson, Hamilton Luske, Walt Disney Productions)

Alice in Wonderland (1955, George Schaefer, Hallmark Hall of Fame Productions)

Alice at the Palace (1982, Emile Ardolino, New York Shakespeare Festival)

Alice in Wonderland (1982, John Clark Donahue and John Driver, Children's Theatre Company and School of Minneapolis)

Alice in Wonderland (1983, Kirk Browning, WNET)

Alice in Wonderland (1985, Harry Harris, Irwin Allen Productions and Columbia Pictures Television)

Alice in Wonderland (1991-1995, Gary Halvorson, Walt Disney Television)

Alice in Wonderland (1995, Toshiyuki Hiruma, Goodtimes Entertainment, Jetlag Productions, Cayre Brothers)

Alice in Wonderland (1999, Nick Willing, Babelsberg International Film Produktion, Hallmark Entertainments, NBC Studios)

Alice Underground (1999, Robert E. Lee, General Productions LLC)

U.S. Films Influenced by *Alice's Adventures in Wonderland*

Alice Comedies (1924-1927, Walt Disney and Ub Iwerks, Walt Disney Productions)

Alice in US Land (1932, Paramount News newsreel feature about Alice Liddell's visit to New York City)

Betty in Blunderland (1934, Dave Fleischer, Fleischer Studios)

Thru the Mirror (1936, David Hand, Walt Disney Productions)

"Swee'pea Through the Looking Glass" *Popeye* (1960, Jack Kinney, Jack Kinney Productions)

Alice in Wonderland (or What's A Nice Kid like You Doing in a Place like this?) (1966, Alex Lovy, Hanna-Barbera Productions)

Alice of Wonderland in Paris (1966, Gene Deitch, Rembrandt Films)

Alice in Wonderland: An X-Rated Musical Fantasy (1976, Bud Townsend, Cruiser Productions, General National Enterprises)

Cosmos: A Personal Voyage (Episode 9: The Lives of Stars) (1980, Adrian Malone, KCET, Carl Sagan Productions, BBC)

Dreamchild (1985, Gavin Millar, PfH Ltd., Thorn EMI)

A Nightmare on Elm Street 4: The Dream Master (1988, Renny Harlin, New Line Cinema, Heron Communications, Smart Egg Pictures)

The Matrix (1999, Andy Wachowski and Lana Wachoski, Warner Bros. Pictures, Village Roadshow Pictures)

Resident Evil (2002, Paul W.S. Anderson, Constantin Film Produktion, Davis-Films, Impact Pictures)

Brandy & Mr. Whiskers (2004-2006, Russell Marcus, Toon City, Walt Disney Television Animation)

Lost (2004-2010, J.J. Abrams, Jeffrey Lieber, and Damon Lindelof, ABC Studios, Touchstone Television, Bad Robot)

Charmed (Season 8 Episode 2: Malice in Wonderland) (2005, Mel Damski, Paramount Pictures, Spelling Television, Viacom Productions)

Phoebe in Wonderland (2008, Daniel Barnz, Silverwood Films)

Warehouse 13 ("Season 1 Episode 8") (2010, Jane Espenson, D. Brent Mote, Universal Cable Productions, Universal Media Studios)

Alice in Wonderland (2010, Tim Burton, Walt Disney Pictures)

AMICUS CURIAE BRIEF

No. 10-545

IN THE
Supreme Court of the United States

LAWRENCE GOLAN, *ET AL.*,

Petitioners,

v.

ERIC H. HOLDER, JR., ATTORNEY GENERAL, *ET AL.*,

Respondents.

On Writ of Certiorari to the United States Court of Appeals for the Tenth Circuit

BRIEF OF *AMICUS CURIAE* EAGLE FORUM EDUCATION & LEGAL DEFENSE FUND IN SUPPORT OF PETITIONERS

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QUESTIONS PRESENTED

Section 514 of the Uruguay Round Agreements Act of 1994 (Section 514) did something unique in the history of American intellectual property law: It "restored" copyright protection in thousands of works that the Copyright Act had placed in the Public Domain, where they remained for years as the common property of all Americans. The Petitioners in this case are orchestra conductors, educators, performers, film archivists and motion picture distributors, who relied for years on the free availability of these works in the Public Domain, which they performed, adapted, restored and distributed without restriction. The enactment of Section 514 therefore had a dramatic effect on Petitioners' free speech and expression rights, as well as their economic interests. Section 514 eliminated Petitioners' right to perform, share and build upon works they had once been able to use freely.

The questions presented are:

1. Does the Progress Clause of the United States Constitution prohibit Congress from taking works out of the Public Domain?

2. Does Section 514 violate the First Amendment of the United States Constitution?

TABLE OF CONTENTS

Page

QUESTIONS PRESENTED ii

TABLE OF CONTENTS iii

TABLE OF AUTHORITIES iv

INTEREST OF *AMICUS CURIAE* 1

STATEMENT OF THE CASE 2

SUMMARY OF ARGUMENT 4

ARGUMENT 5

I. THE FIRST AMENDMENT PROHIBITS TAKING WORKS OUT OF THE PUBLIC DOMAIN 5

II. THE PROGRESS CLAUSE DOES NOT AUTHORIZE CONGRESS TO REMOVE WORKS FROM THE PUBLIC DOMAIN, AND *ELDRED* SHOULD BE OVERRULED TO THE EXTENT ITS HOLDING IMPLIES OTHERWISE 10

III. THE TENTH CIRCUIT ERRED IN DEFERRING TO FOREIGN INTERESTS AT THE EXPENSE OF THE U.S. CONSTITUTION 16

CONCLUSION 18

TABLE OF AUTHORITIES

Page(s)

CASES

Banks v. Manchester,
128 U.S. 244 (1888) 9

Boos v. Barry,
485 U.S. 312 (1988) 17

Burrow-Giles Lithographic Co. v. Sarony,
111 U.S. 53 (1884) 15

Cox Broadcasting Corp. v. Cohn,
420 U.S. 469 (1975) 7

Geofroy v. Riggs,
133 U.S. 258 (1890) 16, 17

Eldred v. Ashcroft,
537 U.S. 186 (2003) ..... *passim*

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aff'd, 537 U.S. 186 (2003) 14

Feist Publ'ns, Inc. v. Rural Tel. Serv. Co.,
499 U.S. 340 (1991) 12, 14, 15

Fox Film Corp. v. Doyal,
286 U.S. 123 (1932) 14

Golan v. Gonzales, 501 F.3d 1179 (10th Cir.
2007) ("*Golan I*") 3, 4, 11

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2010) ("*Golan II*") 3, 4, 16

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412 U.S. 546 (1973) 2

Graham v. John Deere Co.,
383 U.S. 1 (1966) 10, 11, 12

MGM Studios Inc. v. Grokster, Ltd.,
545 U.S. 913 (2005) 2

Near v. Minnesota,
283 U.S. 697 (1931) 8

Nebraska Press Ass'n v. Stuart,
427 U.S. 539 (1976) 8

Nevada Comm'n on Ethics v. Carrigan,
2011 U.S. LEXIS 4379 (June 13, 2011) 10

Organization for a Better Austin v. Keefe,
402 U.S. 415 (1971) 8

Reid v. Covert,
354 U.S. 1 (1957) 16, 17

Roth v. United States,
354 U.S. 476 (1957) 8

Smith v. Daily Mail Pub. Co.,
443 U.S. 97 (1979) 5, 7

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514 U.S. 549 (1995) 14

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293 F.3d 791 (5th Cir. 2002) (*en banc*), *cert. denied*, 539 U.S. 969 (2003) 9

CONSTITUTION AND STATUTES

17 U.S.C. § 104A 3, 4

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Copyright Term Extension Act, Pub. L. No.
105-298, 112 Stat. 2827 (1998) 2, 3

Uruguay Round Agreements Act, Pub. L. No. 103-465, 108 Stat. 4809 (1994) ..... *passim*

U.S. CONST. AMEND. I 6

U.S. CONST. ART. I, § 8, CL. 8 ..... 4, 10

CONSTITUTIONAL AND LEGISLATIVE MATERIALS

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INTEREST OF *AMICUS CURIAE*[1]

Eagle Forum Education & Legal Defense Fund ("Eagle Forum ELDF"), a nonprofit organization founded in 1981, publishes information of educational and historical value, both in print and on the internet. Eagle Forum ELDF has consistently advocated a limited federal government in adherence to the text of the U.S. Constitution, and self-

[1] This brief is submitted with the filed written consent of all parties. Pursuant to its Rule 37.6, counsel for *amicus curiae* authored this brief in whole, and no counsel for a party authored this brief in whole or in part, nor did any person or entity, other than *amicus*, its members, or its counsel make a monetary contribution to the preparation or submission of this brief.

government by the people based on strict constructionism. Eagle Forum ELDF opposes interpretation of the Progress Clause[2] in a way that interferes with First Amendment rights. Eagle Forum ELDF filed several *amicus curiae* briefs against an expansive interpretation of the Progress Clause in the litigation culminating in the decision of this Court in *Eldred v. Ashcroft*, 537 U.S. 186 (2003). Eagle Forum ELDF also filed an *amicus curiae* brief in favor of the First Amendment and against a copyright claim in *MGM Studios Inc. v. Grokster, Ltd.*, 545 U.S. 913 (2005).

STATEMENT OF THE CASE

A collection of orchestra conductors, publishers, educators, and others challenged the constitutionality of congressional removal of works from the public domain. Initially they challenged both the Copyright Term Extension Act, Pub. L. No 105-298, § 102(b), (d), 112 Stat. 2827, 2827-28 (1998), and Section 514 of the Uruguay Round Agreements Act ("URAA"), Pub. L. No. 103-465, § 514, 108 Stat. 4809, 4976-81 (1994), as codified as amended at 17 U.S.C. §§ 104A, 109.

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[2] Eagle Forum ELDF uses the term "Progress Clause" rather than "Copyright Clause" because "progress" (unlike "copyright") is expressly used in this enumerated power, and there is no stand-alone "Copyright Clause." This Court's first express reference to a stand-alone, so-called "Copyright Clause" was not until 1973, and then with quotation marks around it. *See Goldstein v. California*, 412 U.S. 546, 548 (1973). Fewer than ten decisions of this Court since then have used the term "Copyright Clause," despite copyright issues arising more frequently.

Section 514 of the URAA – the subject of this appeal – removed works from the public domain in the United States and granted copyright protection to them. An example of a work affected by this law is "Peter and the Wolf," created in 1936 by the Soviet composer Sergei Prokofiev.

In the initial appeal below, the Tenth Circuit upheld the constitutionality of the Copyright Term Extension Act based on this Court's ruling in *Eldred v. Ashcroft*, 537 U.S. 186 (2003), and found Section 514 of the URAA to be within congressional power under the Progress Clause. But the Tenth Circuit remanded to the district court to consider whether Section 514 of the URAA was a content-neutral or content-based restriction on speech, for the purpose of assessing whether it passed constitutional muster. *Golan v. Gonzales*, 501 F.3d 1179, 1196 (10th Cir. 2007) ("*Golan I*"). Subsequently finding it to be content-neutral, the Tenth Circuit upheld its constitutionality. *Golan v. Holder*, 609 F.3d 1076, 1081 (10th Cir. 2010) ("*Golan II*").

Section 514 of the URAA removes works from the public domain on any one of three grounds: if the work lost copyright protection due to a failure to comply with copyright formalities, a lack of subject matter protection in the case of sound recordings fixed before February 15, 1972, or a lack of national eligibility. See 17 U.S.C. § 104A(a),(h)(6)(C). But artists have already relied on access to these works as part of the public domain, such as a deceased plaintiff's creation of a sound recording based on compositions by Dmitri Shostakovich. *Golan II*, 609 F.3d at 1082. Section 514 does not, however, restore copyright to works that entered the public domain

due to expiration of the copyright term. 17 U.S.C. § 104A(h)(6)(B).

Plaintiffs pursued their facial challenge against this law, seeking an injunction against it. *Golan II*, 609 F.3d at 1081-1082. After the Tenth Circuit ruled against them, they petitioned here and *Amicus* Eagle Forum ELDF supports their challenge.

SUMMARY OF ARGUMENT

The First Amendment fully protects republication of what is in the public domain. Congress can no more prohibit republication of a work that has been in the public domain than it could ban a political book or speech. Withdrawing a work from the public domain is a form of censorship that is simply incompatible with the First Amendment.

As a separate ground for reversing the decision below, the Progress Clause itself does not authorize Congress to remove works from the public domain. Congress may do no more in this field than "promote the Progress of Science and useful Arts." U.S. CONST. ART. I, § 8, CL. 8. No such progress is promoted by granting copyright monopolies to works in the public domain. If anything, this sudden restriction on formerly free works expressly inhibits the very progress that the Constitution authorizes. The Tenth Circuit erred in applying a rational-basis standard in holding that Congress had not traversed the boundaries of its copyright power. *Golan I*, 501 F.3d at 1187. To the extent *Eldred* stands for the proposition that Congress may extend copyrights – constrained only by the deferential rational-basis standard of review – *Eldred* should be limited or overruled.

Finally, the Tenth Circuit erred in granting deference to foreign law at the expense of the U.S. Constitution. The First Amendment does not bend to accommodate foreign interests; the enumerated powers for Congress do not expand to harmonize with foreign laws. Conflicts with foreign law do not alleviate the obligations of Congress to remain faithful to the U.S. Constitution.

The net effect of Section 514 of the URAA is to deny public access to numerous works that have been in the public domain. This does not comport with the First Amendment or the Progress Clause, and cannot be justified in the name of harmonizing with foreign law. If Congress wants to bolster the rights of foreign writers and authors to advance a goal of harmony, then its approach must fit within one of its enumerated powers, such as using the Spending Clause to directly provide any value deemed appropriate.

ARGUMENT

I. THE FIRST AMENDMENT PROHIBITS TAKING WORKS OUT OF THE PUBLIC DOMAIN.

Material in the public domain is protected by the First Amendment, and Congress cannot censor speech about it based on private interests. "[O]nce the truthful information was ... 'in the public domain' the court could not constitutionally restrain its dissemination." *Smith v. Daily Mail Pub. Co.*, 443 U.S. 97, 103 (1979). Just as one cannot unscramble an egg, Congress cannot withdraw information that has already entered the public square. First

Amendment protection is not something that can be granted and then taken away willy-nilly by Congress. To hold otherwise, as the lower court did, would be to fundamentally weaken the very foundation of the First Amendment. U.S. CONST. AMEND. I ("Congress shall make no law ... abridging the freedom of speech ....").

Indeed, a primary motive for passing the First Amendment was precisely to combat this predictable expansion in government-granted copyright monopolies:

> "Though it is not declared that Congress have a power to destroy the liberty of the press; yet in effect, they will have it .... They have a power to secure to authors the right of their writings. Under this, they may license the press, no doubt; and under licensing the press, they may suppress it."

Ratification of the Constitution by the States, Pennsylvania, 2 The Documentary History of the Ratification of the Constitution 454 (1976) (quoting Pennsylvania Constitutional Convention Delegate Robert Whitehill on December 1, 1787). Today the "press" is increasingly the internet, and taking material out of the public domain of the internet is censorship, plain and simple. The notion of Congress somehow being able to choke off First Amendment rights in this way flies in the face of what the right of freedom of speech is all about.

It is axiomatic to First Amendment rights that "if a newspaper lawfully obtains truthful information about a matter of public significance then state officials may not constitutionally punish publication

of the information, absent a need to further a state interest of the highest order." *Daily Mail*, 443 U.S. at 103. But the ruling below contradicts this principle by allowing one to "punish publication of the information" that has been lawfully obtained from the public domain but then subsequently taken away by Congress.

This Court struck down an attempt by a state to prohibit publication by a reporter of someone's name after learning of it in court, which is conceptually similar to finding something in the public domain. *See Cox Broadcasting Corp. v. Cohn*, 420 U.S. 469 (1975). "Once true information is disclosed in public court documents open to public inspection, the press cannot be sanctioned for publishing it. In this instance as in others reliance must rest upon the judgment of those who decide what to publish or broadcast." *Id.* at 496. If a state cannot withdraw material from the public square consistent with the Constitution, then *a fortiori* neither can Congress.

The implications of narrowing First Amendment protections to allow Congress to remove material are troubling. If this slippery slope were allowed, then would anything be completely safe from government-mandated censorship? Works of the U.S. Government have long been in the public domain, but under the ruling below Congress could generate some new revenue by removing the most popular items (such as the American flag) and charging copyright fees for publishing them. Free speech would then be reduced to "Congress-allowed" speech, and that is simply incompatible with First Amendment principles.

A copyright, after all, amounts to a prior restraint on speech, and "[a]ny prior restraint on expression comes ... with a 'heavy presumption' against its constitutional validity." *Organization for a Better Austin v. Keefe*, 402 U.S. 415, 419 (1971). Put another way, "prior restraints on speech and publication are the most serious and least tolerable infringement on First Amendment rights." *Nebraska Press Ass'ns v. Stuart*, 427 U.S. 539, 559 (1976). Numerous decisions of this Court have held likewise. "[I]t is the chief purpose of the [First Amendment] guaranty to prevent previous restraints upon publication." *Near v. Minnesota*, 283 U.S. 697, 713 (1931). "All ideas having even the slightest redeeming social importance," such as those concerning "'the advancement of truth, science, morality, and arts,'" are fully protected by the First Amendment. *Roth v. United States*, 354 U.S. 476, 484 (1957) (quoting 1 Journals of the Continental Congress 108 (1774)).

These robust First Amendment protections should not be circumvented based on a characterization of the copyright restriction as "content neutral." A ban on publicizing what happens in court proceedings may be content neutral, but it is plainly unconstitutional just as withdrawing material from the public domain under copyright should be. As one commentator has pointed out, "copyright law blithely ignores ... basic principles of free speech jurisprudence that elsewhere go without saying," such as the "First Amendment principle ... against prior restraints." Jed Rubenfeld, The Freedom of Imagination: Copyright's Constitutionality, 112 YALE L.J. 1, 5-6, (2002). "In some parts of the world, you can go to jail for reciting a poem in public without

permission from state-licensed authorities. Where is this true? One place is the United States of America." *Id.* at 3 (footnote omitted).

Holding otherwise, as the Tenth Circuit has done, would cast doubt on the continued vitality of precedents prohibiting the copyrighting of judicial opinions and statutory requirements. *See, e.g., Banks v. Manchester*, 128 U.S. 244, 254 (1888) (no copyrights allowed in court opinions); *Veeck v. SBCCI*, 293 F.3d 791, 799 (5th Cir. 2002) (*en banc*), *cert. denied*, 539 U.S. 969 (2003) (publishers cannot copyright statutory requirements). A straightforward basis for understanding why copyright cannot attach to judicial opinions and statutory requirements is that once they initially entered the public domain, they cannot be taken back out. While those decisions relied on other grounds (the *Veeck* court found statutory requirements to constitute non-copyrightable "facts", 293 F.3d at 801), allowing withdrawal of material from the public domain would cause legal difficulties. Could Congress grant copyright protection to these or other works that have passed into the public domain?

A Pandora's box of doctrinal difficulties would result if works could be pulled out of the public domain into copyright protection without violating the First Amendment. This Court has already rejected, in *Eldred*, the suggestion that copyrights are somehow "categorically immune from challenges under the First Amendment." *Eldred*, 537 U.S. at 221 (quotations omitted). A bright-line, principled approach is the best here: once something is in the public domain, the First Amendment ensures that it remains there.

II. THE PROGRESS CLAUSE DOES NOT AUTHORIZE CONGRESS TO REMOVE WORKS FROM THE PUBLIC DOMAIN, AND *ELDRED* SHOULD BE OVERRULED TO THE EXTENT ITS HOLDING IMPLIES OTHERWISE.

This Court has held that "Congress may not authorize the issuance of patents whose effects are to remove existent knowledge from the public domain, or to restrict free access to materials already available." *Graham v. John Deere Co.*, 383 U.S. 1, 6 (1966). This sound principle – based in the very same Progress Clause – should be extended to copyrights as well, and requires reversal of the judgment below.

The Progress Clause authorizes Congress to grant copyright monopolies only to the extent they "promote the Progress of Science and useful Arts." U.S. CONST. ART. I, § 8, CL. 8. Occasionally referred to as the "Copyright Clause," it actually uses the term "progress" rather than "copyright", and should be interpreted with that word choice in mind. Progress is what is to be promoted, not merely narrow private interests. Congress cannot impose what the Progress Clause does not authorize, and obstructing progress or enriching private parties in the name of copyright does not comport with the understood purpose of this clause. *Cf. Nevada Comm'n on Ethics v. Carrigan*, 2011 U.S. LEXIS 4379, *30 (June 13, 2011) (Alito, J., concurring) (emphasizing the understanding and precedents "during the founding era").

Nothing enacted during the founding era suggests that the People gave Congress *carte blanche* to create copyright monopolies on works already in the public domain. This Court observed that Thomas

"Jefferson, like other Americans, had an instinctive aversion to monopolies. It was a monopoly on tea that sparked the Revolution and Jefferson certainly did not favor an equivalent form of monopoly under the new government." *Graham*, 383 U.S. at 7. Pulling works out of the public domain is also economically illogical: it exacerbates transáction costs, which is harmful to overall efficiency. *See generally* Ronald Coase, "The Problem of Social Cost," 3 J. LAW & ECON. 1 (1960).

The American people are disadvantaged by removal from the public domain. "The level of information guaranteed by copyright law is merely the product of enforced scarcity, which might be good for the producers, but would surely not be good for the consumers who either pay higher prices for their enjoyment of new expression or forgo it entirely." Adam R. Fox, "The Economics of Expression and the Future of Copyright Law," 25 OHIO N.U.L. REV. 5, 15 (1999). Adam Smith's criticism of state-conferred monopolies in his *Wealth of Nations* applies here: under monopolies, "all the other subjects of the state are taxed ... by the high price of goods." Adam Smith, *Wealth of Nations*, 814 (Random House: 1994, Cannon ed.).

It was error for the court below to rely heavily on inferences from *Eldred v. Ashcroft* in finding congressional power to withdraw material from the public domain, as done by Section 514 of the URAA. *Golan I*, 501 F.3d at 1186-87. To the extent this Court's ruling in *Eldred* suggests that Congress has the power to remove works from the public domain, that precedent should be overruled. No "progress" is

advanced by pulling works out of the public domain and granting monopolies in them.

In *Eldred*, the majority opinion held that Congress has authority to extend copyright protection for old works having terms that are about to expire, despite a lack of any new value or *quid pro quo* from the creator. 537 U.S. at 208-18. That decision essentially allowed Congress to define the scope of its own power, and then analyzed the exercise of such power under the least demanding rational-basis standard of review. *Id.* at 199-200, 205, 213. The *Eldred* majority so held despite acknowledging that "we have described the Copyright Clause as 'both a grant of power and a limitation,' and that 'the primary objective of copyright' is 'to promote the Progress of Science.'" *Id.* at 212 (quoting *Graham*, 383 U.S. at 5, and *Feist Publ'ns, Inc. v. Rural Tel. Serv. Co.*, 499 U.S. 340, 349 (1991)).

But as Justice Breyer explained in his dissent in *Eldred*, the enumerated copyright power places a more meaningful limitation on congressional attempts to expand copyright:

> The "monopoly privileges" that the Copyright Clause confers "are neither unlimited nor primarily designed to provide a special private benefit." *Sony Corp. of America v. Universal City Studios, Inc.*, 464 U.S. 417, 429 (1984); cf., *Graham v. John Deere Co. of Kansas City*, 383 U.S. 1, 5 (1966). This Court has made clear that the Clause's limitations are judicially enforceable. *E.g.*, *Trade-Mark Cases*, 100 U.S. 82, 93-94, 25 L. Ed. 550, 1879 Dec. Comm'r Pat. 619 (1879). And, in assessing this statute for that

> purpose, ... take into account that the Constitution is a single document, that it contains both a Copyright Clause and a First Amendment, and that the two are related.

Eldred v. Ashcroft, 537 U.S. 186, 243-44 (2003) (Breyer, J., dissenting).

Commentators, too, have observed how expanding copyright protection "raises serious questions about copyright's continued fit with its incentive-for-original-expression rationale. It has also imposed an increasingly onerous burden on speech." Neil Weinstock Netanel, "Locating Copyright Within the First Amendment Skein," 54 STAN. L. REV. 1, 4 (2001). What possible incentive is created by taking works out of the public domain? None. Instead it impedes the use of those public domain works to create derivative works, which in turn would enrich both the producer and society as a whole.

Justice Breyer explained further how limitations on the copyright power are essential to its constitutional basis:

> Under the Constitution, copyright was designed "primarily for the benefit of the public," for "the benefit of the great body of people, in that it will stimulate writing and invention." ... [H.R. Rep. No. 2222, 60th Cong., 2d Sess., 7 (1909)]. And were a copyright statute not "believed, in fact, to accomplish" the basic constitutional objective of advancing learning, that statute "would be beyond the power of Congress" to enact. *Id.*, at 6-7. Similarly, those who wrote the House Report on legislation ... said that "the constitutional purpose of copyright is to

> facilitate the flow of ideas in the interest of learning." H.R. Rep. No. 100-609, p.22 (1988) (internal quotation marks omitted).

Eldred, 537 U.S. at 247 (Breyer, J., dissenting). Judge Sentelle, in dissenting in part from the lower D.C. Circuit opinion in *Eldred*, described his "fear that the rationale offered by the government for the copyright extension, as accepted by the district court and the majority, leads to such an unlimited view of the copyright power as the Supreme Court rejected with reference to the Commerce Clause in *Lopez*." *Eldred v. Reno*, 239 F.3d 372, 381 (D.C. Cir. 2001) (Sentelle, J., dissenting), *aff'd*, 537 U.S. 186 (2003) (citing *United States v. Lopez*, 514 U.S. 549 (1995)).

This Court has emphasized that "the sole interest of the United States and the primary object in conferring the monopoly lie in the general benefits derived by the public from the labors of authors." *Fox Film Corp. v. Doyal*, 286 U.S. 123, 127 (1932) (emphasis added). That interest is utterly lacking in removing foreign works from the public domain in the United States. The merely "secondary consideration" of reward to the copyright owners – ones who already created the subject work – should not be the prevailing factor here. *Eldred*, 537 U.S. at 227 n.4 (Stevens, J. dissenting).

Put another way, "originality is a constitutional requirement" for protection under copyright, *Feist*, 499 U.S. at 346, and originality no longer exists for a work that has been in the public domain. Once originality is lost, it cannot be magically regained by a new Act of Congress any more than shattered glass may be rendered unbroken. This requirement of originality is inherent in the Progress Clause: "the

Court made it unmistakably clear that its terms presuppose a degree of originality." *Id.* (citing *The Trade-Mark Cases*, 100 U.S. 82 (1879) and *Burrow-Giles Lithographic Co. v. Sarony*, 111 U.S. 53 (1884)). "The originality requirement articulated in *The Trade-Mark Cases* and *Burrow-Giles* remains the touchstone of copyright protection today. It is the very premise of copyright law." *Feist*, 499 U.S. at 347 (quotations and citations omitted).

Removing material from the public domain has the same deleterious effect as extending copyright for already-created works: this denies the public the benefit of numerous works, particularly over the internet. Michael S. Hart, the director of an online publisher of works known as the Gutenberg Project, estimated with respect to copyright extension that the CTEA would "essentially prevent about one million books from entering the public domain over the next 20 years." Carl S. Kaplan, "Free Book Sites Hurt by Copyright Law," *N.Y. Times on the Web* (Oct. 30, 1998).[3] Neither Adam Smith nor the Founders like Thomas Jefferson would have supported giving Congress the power of harming so many people to the windfall of so few, based on the Progress Clause.

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[3] http://www.nytimes.com/library/tech/98/10/cyber/cyberlaw/30law.html (viewed 6/16/11).

III. THE TENTH CIRCUIT ERRED IN DEFERRING TO FOREIGN INTERESTS AT THE EXPENSE OF THE U.S. CONSTITUTION.

It was error for the Tenth Circuit to create a more deferential standard of review merely due to the existence of related foreign law and interests. The court below adopted "considerable deference to Congress" simply because its regulation of *domestic* free speech was based on foreign law. *Golan II*, 609 F.3d at 1085. The lower court did caution that "we do not suggest that Congress's decisions regarding foreign affairs are entirely immune from the requirements of the First Amendment." *Id.* In fact, no extra deference is justified based on foreign law, particularly with respect to application of the U.S. Constitution to domestic speech.

Foreign law cannot result in erosion of constitutional rights, or expansion of enumerated powers for Congress. "[N]o agreement with a foreign nation can confer power on the Congress, or on any other branch of Government, which is free from the restraints of the Constitution." *Reid v. Covert*, 354 U.S. 1, 16 (1957). Similarly, this Court has held that "[i]t would not be contended that [treaty power] extends so far as to authorize what the Constitution forbids, or a change in the character of the government or in that of one of the States ...." *Id.* at 17-18 (quoting *Geofroy v. Riggs*, 133 U.S. 258, 267 (1890)).

Section 514 of the URAA must still comport fully with the First Amendment, and must stand or fall based on the scope of congressional powers, no matter

how much harmony Congress purportedly seeks to bring to a foreign land. "'[R]ules of international law and provisions of international agreements of the United States are subject to the Bill of Rights and other prohibitions, restrictions or requirements of the Constitution and cannot be given effect in violation of them.'" *Boos v. Barry*, 485 U.S. 312, 324 (1988) (quoting 1 Restatement of Foreign Relations Law of the United States 131, Comment a, p. 53 (Tent. Draft No. 6, Apr. 12, 1985)).

Neither foreign law nor an attempt to harmonize with it can do an end run around the Constitution. "It would be completely anomalous to say that a treaty need not comply with the Constitution when such an agreement can be overridden by a statute that must conform to that instrument." *Reid*, 354 U.S. at 18. Section 514 of the URAA does not even rise to the status of a treaty, as it was not ratified pursuant to the Treaty Clause and it goes beyond what treaty obligations required. *See Petitioners Br.* at 51-61.

The First Amendment rights of Americans – and the constitutional limitations on congressional power in the Progress Clause – are not "proper subjects of negotiation between our government and the governments of other nations." *Geofroy*, 133 U.S. at 265. The goal of harmonizing with foreign law offers no added authority to regulate free speech, or to withdraw works from the public domain.

CONCLUSION

The judgment below should be reversed and Section 514 of the URAA should be declared unconstitutional under both the First Amendment and the Progress Clause.

Respectfully submitted,

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AMICUS CURIAE BRIEF

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Supreme Court of the United States

LAWRENCE GOLAN, et al.,

Petitioners,

v.

ERIC H. HOLDER, JR., et al.,

Respondents.

On Writ Of Certiorari To The United States Court Of Appeals For The Tenth Circuit

BRIEF OF AMICUS CURIAE FRANKLIN PIERCE CENTER FOR INTELLECTUAL PROPERTY IN SUPPORT OF RESPONDENTS

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TABLE OF CONTENTS

Page

TABLE OF AUTHORITIES iii

INTEREST OF AMICUS CURIAE 1

SUMMARY OF THE ARGUMENT 2

ARGUMENT 6

I. CONGRESS HAS BROAD AUTHORITY UNDER THE PROGRESS CLAUSE TO BALANCE DIFFERENT PUBLIC INTERESTS IN DETERMINING APPROPRIATE COPYRIGHT LEGISLATION 6

A. THE BREADTH OF CONGRESS' AUTHORITY UNDER THE PROGRESS CLAUSE IS CLEAR 6

B. THE PROGRESS CLAUSE DOES NOT CONFLICT WITH THE FIRST AMENDMENT 7

C. A CONFLICT WITH THE FIRST AMENDMENT ARISES ONLY IF CONGRESS EXCEEDS ITS CONSTITUTIONAL AUTHORITY UNDER THE PROGRESS CLAUSE 10

D. THE LEGISLATIVE HISTORY DEMONSTRATES THAT CONGRESS ENGAGED IN A MEASURED AND GOOD FAITH ATTEMPT TO BALANCE COMPETING PUBLIC INTERESTS IN ENACTING § 514 OF THE URUGUAY ROUND AGREEMENTS ACT 12

TABLE OF CONTENTS – Continued

Page

II. COMPLIANCE WITH THE UNITED STATES' INTELLECTUAL PROPERTY TREATY OBLIGATIONS FALLS WITHIN CONGRESS' AUTHORITY UNDER THE PROGRESS CLAUSE 19

A. COMPLIANCE WITH INTELLECTUAL PROPERTY TREATY OBLIGATIONS IS AN INTEGRAL PART OF THE UNITED STATES' TRADE POLICY 19

B. THE UNITED STATES' RESTORATION PROVISIONS FURTHER THE AIMS OF THE PROGRESS CLAUSE 26

III. RESTORING FOREIGN COPYRIGHTS UNDER SECTION 514 DOES NOT THREATEN THE PUBLIC DOMAIN 28

A. THERE WILL BE ONLY A LIMITED DIMINUTION OF THE PUBLIC DOMAIN THROUGH RESTORATION OF THE COPYRIGHT STATUS OF CERTAIN FOREIGN WORKS 28

B. RESTORATION OF THE COPYRIGHT STATUS OF CERTAIN FOREIGN WORKS IS JUSTIFIABLE AND LIMITED IN SCOPE 30

CONCLUSION 34

TABLE OF AUTHORITIES

Page

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TABLE OF AUTHORITIES – Continued

Page

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TABLE OF AUTHORITIES – Continued

Page

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TABLE OF AUTHORITIES – Continued

Page

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TABLE OF AUTHORITIES – Continued

Page

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TABLE OF AUTHORITIES – Continued

Page

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TABLE OF AUTHORITIES – Continued

Page

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INTEREST OF AMICUS CURIAE[1]

The University of New Hampshire School of Law (formerly Franklin Pierce Law Center) is an independent law school with a long history of intellectual property expertise. The intellectual property faculty of the University of New Hampshire School of Law (UNH Law) has authored many scholarly papers and has filed amicus briefs in this Court as well as lower courts. UNH Law has established the Franklin Pierce Center for Intellectual Property (the Center), which conducts applied research that seeks to contribute to the development of a balanced and coherent intellectual property system to promote innovation. With faculty guidance and student participation, the Center's objective is to submit amicus briefs that will represent an important and neutral perspective that might not be adequately represented by the parties to the case.

UNH Law expressly declines to take any position regarding the level of scrutiny that would be

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[1] The parties have consented to the filing of this brief. Both the Petitioner and Respondent have filed a general consent for amicus curiae briefs with the Court. Pursuant to this Court's Rule 37.6, amicus represents that this brief was not authored in whole or in part by counsel for any party. UNH Law discloses that it maintains an Advisory Committee on Intellectual Property that includes representatives from industry, trade organizations and various law firms. No non-faculty member of the Advisory Council played any role in the consideration of whether to file this brief or in its preparation. No person or entity other than UNH Law has made any monetary contribution to the preparation of this brief or its submission.

appropriate to the statutory provisions at issue in this case. The only issue of concern to UNH Law in this case is whether the Progress Clause of the U.S. Constitution, art. 1, § 8, cl. 8, permits Congress to restore copyrights in foreign works without violating the First Amendment of the U.S. Constitution.

SUMMARY OF THE ARGUMENT

The Progress Clause of the U.S. Constitution permits Congress considerable latitude to determine the scope of and manner in which the over-arching goal of "achieving Progress in Science and useful Arts"[2] can be achieved. Specifically, the Progress Clause expressly confers on Congress the authority to enact legislation in furtherance of such a broad goal.[3] As such, there is no basis for the courts to second-guess legislative choices where Congress has engaged in a measured and good faith process to determine the most appropriate means of implementing the U.S. foreign treaty obligations in domestic legislation, and where Congress has taken into account the public interest, including constitutional implications, in its decision making process.

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[2] U.S. CONST. art. 1, § 8, cl. 8.

[3] *See generally, Feist Publishing Co. v. Rural Tel. Servs. Co.*, 499 U.S. 349 (1991).

This would not amount to unjustifiable deference to Congress, nor result in a situation where the Progress Clause would always trump First Amendment concerns, precluding judicial review of Congressional authority. Situations can arise where certain Congressional actions should be subject to judicial scrutiny. In the case of copyright law, this would be the case where Congress has altered the "traditional contours,"[4] subverting or contravening the goal of art. 1, § 8, cl. 8. Here, however, this is not the case.

Restoring copyrights to certain foreign works arguably facilitates the constitutional purpose articulated in art. 1, § 8, cl. 8, in that restoration pursuant to § 514 of the Uruguay Round Agreements Act[5] returns to the author or the initial right-holder proper recognition of her status, without affecting the ability or rights of others to access the work and use it within the bounds of copyright, including its limitations and exceptions, and those bedrock principles that enshrine First Amendment values. The economic and cultural value of some works may also be enhanced if rights in them are owned by someone, as opposed to a complete lack of ownership resulting in the works being available to all. Copyright protection is not antithetical to the existence of a democratic civil society.

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[4] *Eldred v. Ashcroft*, 537 U.S. 186, 221 (2003).

[5] Uruguay Round Agreements Act, Pub. L. No. 103-465, § 514, 108 Stat. 4809, 4978-81 (1994) (codified as amended at 17 U.S.C. § 104A (2000)).

The existence and operation of the restoration provisions of the U.S. Copyright Act[6] would not mean that the public domain would be eliminated, or overly and unjustifiably reduced. While copyright restoration can be said, in actuarial terms, to result in some diminution of the public domain, the restoration mechanisms enacted by § 514 of the Uruguay Round Agreements Act (URAA), now codified as § 104A of the Copyright Act,[7] were designed to ensure that, as far as practicable, the impact on the public domain would be limited, restricted only to foreign works fulfilling certain conditions (including copyright protection in their source countries), and would not affect the public's ability and right to access those works and use the ideas and knowledge contained therein.

The foreign works to which copyright would be restored under § 104A fell into the public domain in the United States because of procedural non-compliance with the formalities previously required by U.S. copyright law or lack of national eligibility – in both instances, the public domain status of such works was not due to the natural expiry of a U.S. term of copyright protection. Those foreign works which would qualify for restoration under § 104A thus form an identifiable sub-set of the broader public domain; a group that is populated by hapless authors

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[6] *Id.*

[7] *Id.*

and their works which would otherwise have obtained or continued to enjoy copyright protection in the United States. The restoration of copyright to this type of work does not constitute a wholesale removal of indeterminate numbers of works from the general public domain.

In establishing a notice requirement and allowing for the continued use of derivative works created prior to the date of restoration, § 104A articulates Congress' attempt to strike a measured policy balance between conflicting public interests. The legislative history starting from the implementation of the Berne Convention[6] through implementation of the Uruguay Round of international trade agreements several years later amply illustrates the Congressional process. The *Progress Clause does not prohibit encroachment* of the public domain; where a constitutionally legitimate benefit is clearly demonstrated, a limited intrusion into the public domain falls well within the scope of Congressional authority.

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[6] The Berne Convention for the Protection of Literary and Artistic Works, Sept. 9, 1886, as revised at Paris on July 24, 1971 and as amended Sept. 28, 1979, 102 Stat. 2853, 1161 U.N.T.S. 3 [hereinafter Berne].

ARGUMENT

I. CONGRESS HAS BROAD AUTHORITY UNDER THE PROGRESS CLAUSE TO BALANCE DIFFERENT PUBLIC INTERESTS IN DETERMINING APPROPRIATE COPYRIGHT LEGISLATION

A. THE BREADTH OF CONGRESS' AUTHORITY UNDER THE PROGRESS CLAUSE IS CLEAR

Article 1, § 8, cl. 8 of the U.S. Constitution confers on Congress the "Power . . . [t]o promote the Progress of Science and useful Arts, by securing for limited Times to Authors and Inventors the exclusive Right to their respective Writings and Discoveries." The broad discretion thus afforded to Congress has been acknowledged by the courts in a number of significant copyright cases. For example, in *Sony*, the Court stated, "[I]t is Congress that has been assigned the task of defining the scope of the limited monopoly that should be granted to authors . . . in order to give the public appropriate access to their work product."[9]

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[9] *Sony Corp. of America v. Universal City Studios, Inc.*, 464 U.S. 417 at 429 (1984); *See also Graham v. John Deere Co.*, 383 U.S. 1, at 6 (1966) ("[w]ithin the limits of the constitutional grant, the Congress may, of course, implement the stated purpose of the Framers by selecting the policy which in its judgment best effectuates the constitutional aim.").

B. THE PROGRESS CLAUSE DOES NOT CONFLICT WITH THE FIRST AMENDMENT

The utilitarian theory of copyright law – the "most venerable and oft-cited of the justifications for the American law of intellectual property"[10] – posits that economic incentives are necessary to ensure the production and dissemination of creative works, since the costs of production (including opportunity costs) are usually high, and the costs of reproducing an author's work are typically low, and at times, negligible. The grant of a limited monopoly is therefore intended to facilitate and motivate the production and dissemination of creative expressions, which adds to the cumulative store of knowledge and ultimately benefits the public, as "[i]ndividually aimed incentives result in more works for the benefit of the public . . . for copyright law is based on the notion that accumulation of self-interests results in the public good."[11]

The First Amendment would, at first blush, seem to contradict this view, as it essentially forbids the government from suppressing free speech.[12] It is a negative prohibition on the government, forbidding

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[10] William W. Fisher III, *Reconstructing the Fair Use Doctrine*, 101 HARV. L. REV. 1659, 1687-88 (1988).

[11] 1 MELVILLE B. NIMMER & DAVID NIMMER, NIMMER ON COPYRIGHT § 19E.01[C] (Matthew Bender ed., rev. ed.).

[12] U.S. CONST. amend. I ("Congress shall make no law . . . abridging the freedom of speech, or of the press.").

the government from obstructing society's access to information and a citizen's own expressions. Yet, the First Amendment and the Progress Clause actually work in conjunction with each other. "Their proximity indicates that, in the Framers' view, copyright's limited monopolies are compatible with free speech principles."[13] The First Amendment and the Progress Clause also fulfill the same purpose: to underpin and foster a democratic society.[14] The existence of a democratic society depends on the production and dissemination of ideas, facts, and creative expression, as they are vital for a "robust, participatory and pluralist civil society," and "[f]or citizens to articulate their interests, participate in civic association, and engage in reasoned deliberation on public issues, they must have access to the rich store of the accumulated wealth of mankind in knowledge, ideas and purposes."[15] The First Amendment ensures the production and dissemination of information by prohibiting Congress

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[13] *Eldred*, at 219.

[14] NIMMER, *supra* note 9, § 19E.01[D], § 19E.05[B][C]; 1 HOWARD B. ABRAMS, THE LAW OF COPYRIGHTS § 1:22 (rev. ed.); *See also Eldred*, 537 U.S. at 219 ("The Copyright Clause and First Amendment were adopted close in time. This proximity indicates that, in the Framers' view, copyright's limited monopolies are compatible with free speech principles."); and *Pacific & So. Co. v. Duncan*, 744 F.2d 1490, 1499 (11th Cir. 1984) ("Where the First Amendment removes obstacles to the free flow of ideas, copyright law adds positive incentives to encourage the flow.").

[15] Neil Weinstock Netanel, *Copyright and a Democratic Civil Society*, 106 YALE L. J. 283, 343, 353-62 (1996).

from banning individual expression.[16] The Progress Clause grants an individual author the temporary authority to decide if, when and how to produce and disseminate her own creative expressions. Thus, both constitutional provisions facilitate the emergence of a democratic society by removing different obstacles from the production and dissemination of information and creative expression.

As the "engine of free expression,"[17] copyright law facilitates the political, social, and cultural expressions that are vital to democratic discourse. By enabling a marketplace of ideas and economic rewards to creators, copyright law also allows for individual choice and diversity – as to creation, publication, access and consumption – as well as freedom from state control of information or an inequitable system of private patronage.[18]

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[16] NIMMER, *supra* note 9, § 19E.01[B].

[17] *Harper & Row Pub. Inc. v. Nation Enters.*, 471 U.S. 539, 558 (1985).

[18] Netanel, *supra* note 12, at 352-54. *See also* Paul Goldstein, *Copyright and the First Amendment*, 70 COLUM. L. REV. 983 (1970) ("absent the rewards and restraints of a copyright regime, such creation and dissemination would be the exclusive reserve of the wealthy or politically motivated."); John I. McGinnis, *The Once and Future Property-Based Vision of the First Amendment Author(s)*, 63 U. CHI. L. REV. 49, 79 (1996) ("The First Amendment and the Copyright Clause in fact form a coherent scheme to maximize effective protection for producers of information, in the broadest sense, against threats of state and private depredation, respectively.").

C. A CONFLICT WITH THE FIRST AMENDMENT ARISES ONLY IF CONGRESS EXCEEDS ITS CONSTITUTIONAL AUTHORITY UNDER THE PROGRESS CLAUSE

As long as Congress acts within its constitutional authority, the resulting legislation will not raise First Amendment issues.[19] In contrast, when Congress acts outside its constitutional authority, by altering the traditional contours of copyright law, the resulting legislation can amount to an unconstitutional abridgement of free speech and is thus considered unconstitutional. For example, if Congress were to pass a law that eliminated fair use or that allowed for the protection of unoriginal works, this would be an unconstitutional abridgement of free speech.

The history of the U.S. Copyright Act illustrates the "reasoned compromise" reached by Congress that "generally comports with First Amendment values."[20] In *Eldred*, a majority of the Court stated that the Copyright Act "incorporates its own speech-protective purposes and safeguards" and contains "built-in First Amendment accommodations" that are "generally adequate to address" First Amendment issues.[21]

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[19] William W. Van Alstyne, *Reconciling What the First Amendment Forbids with What the Copyright Clause Permits: A Summary Explanation and Review*, 66 LAW & CONTEMP. PROBS. 225 (2003).

[20] Goldstein, *supra* note 14.

[21] *Eldred*, 537 U.S. at 221.

In addition to the express constitutional delineation of "limited Times," the idea/expression dichotomy and the fair use doctrine have been identified as fundamental copyright principles that act as built-in safeguards against First Amendment issues.[22] Furthermore, the judicially developed concept of originality as a constitutional requirement for copyright protection,[23] and other restraining principles, such as the substantial similarity requirement for copyright infringement, serve to limit the reach of copyright law beyond its constitutionally mandated objective.[24]

Therefore, where Congress has acted within the scope of the Congressional authority conferred by the Progress Clause, the clause should be interpreted generously.[25] Through Congressional debate and testimony, empirical evidence of benefits and harms of particular proposals are brought forward, manifold public policy concerns weighed, and difficult policy choices made as a result of the legislative process. This was the process through which Congress debated and enacted § 514 of the URAA.

Deference to Congress within these boundaries does not amount to abdicating judicial responsibility for protecting the public's interest in access to knowledge and expression. Although the Progress Clause

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[22] *Harper*, 471 U.S. at 558.

[23] *See generally Feist*, 499 U.S. 349.

[24] *See Graham*, 383 U.S. at 6.

[25] *Eldred*, 537 U.S. at 222.

confers on Congress a broad authority, such authority still has to be wielded within and tempered by the goal for which it was intended.[26] Where Congress oversteps its authority by ignoring the public interest objectives of the Progress Clause, by restricting or eliminating those bedrock copyright principles that safeguard First Amendment interests, judicial review of such unconstitutional actions is not only appropriate, but also necessary.[27] Such is not the case here.

D. THE LEGISLATIVE HISTORY DEMONSTRATES THAT CONGRESS ENGAGED IN A MEASURED AND GOOD FAITH ATTEMPT TO BALANCE COMPETING PUBLIC INTERESTS IN ENACTING § 514 OF THE URUGUAY ROUND AGREEMENTS ACT

Delegates of the Berne Act, a precursor to the Berne Convention,[28] agreed that copyright restoration was appropriate; however, each country was to be given broad power to regulate "each in so far as it is concerned, by its domestic legislation, the manner in

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[26] *See id.* (citing *Graham*, 383 U.S. at 6).

[27] *Id.* at 221.

[28] The issue of national implementation of foreign copyright restoration had been an early topic of debate among those countries negotiating Berne Convention. *See* SAM RICKETSON, THE BERNE CONVENTION FOR THE PROTECTION OF LITERARY AND ARTISTIC WORKS: 1886-1986, 667-69 (Sweet & Maxwell 1989).

which the principle in art. 14 is to be applied."[29] The final language of art. 18(3) of the Berne Convention follows this principle, granting countries broad discretion in determining how to retroactively deal with copyright restoration.[30] Where the United States is concerned, implementation must occur within the confines of the constitutional limitations and objectives outlined in the Progress Clause.

When Congress debated the Berne Convention Implementation Act (BCIA) in 1988, it was aware that Article 18 required some form of copyright restoration, but also understood that the United States had broad discretion for deciding how to implement such an obligation.[31] In order to avoid precipitous legislation that might change domestic law where it was not required to do so, Congress exercised its discretion by electing to postpone a decision on copyright restoration.[32] The House Report from the Judiciary Committee stated "any solution to the question of retroactivity can be addressed after adherence to Berne when a more thorough examination of constitutional, commercial and consumer considerations is

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[29] Berne Convention for the Protection of Literary and Artistic Works art. 14, Sept. 9, 1886 (the precursor to the current Article 18 of the Berne Convention).

[30] *Supra* note 20.

[31] *Berne Convention Implementation Act of 1988: Report to Accompany H.R. 4262 From the Comm. on the Judiciary*, H.R. Rep. 100-609, 100th Cong., 2d Sess., 51-52 (1988).

[32] *Id.*

possible."[33] Similarly, the Senate Subcommittee on Intellectual Property recognized that art. 18 defined a "principle" of restoration, but concluded that this could be addressed subsequent to accession.[34] Congress therefore chose a minimalist, cautious path toward copyright restoration at that time.

Article 18(3) of the Berne Convention also allows for implementation of restoration pursuant to "special conventions . . . existing or to be concluded between countries of the Union."[35] In 1991, when Congress first faced the implementation of the North American Free Trade Agreement (NAFTA), which had been concluded between the United States, Mexico and Canada, it re-addressed the issue of copyright restoration.[36] At that time, the United States agreed to restore limited copyright protection to certain Mexican and Canadian films and related works that had failed to comply with copyright notice requirements between 1978 and 1988 and had thus fallen into the U.S. public domain. During the initial congressional hearings, the then-Register of Copyrights, Ralph Oman, advised Congress that, although copyrights had been restored in the past (e.g. after World War I

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[33] *Id.*

[34] *Berne Convention Implementation Act of 1988: Statement on S. 2904 Before the President* (Oct. 1, 1986) (statement of Mr. Mathias, Chairman, Senate Subcomm. on Patents, Copyrights, and Trademarks).

[35] *Supra* note 7.

[36] *Id.*

and World War II), constitutional and commercial fairness issues required further consideration.[37] The copyright restoration issue under NAFTA remained under discussion, with Mexico arguing that Article 18 of Berne required restoration.[38] Congress eventually agreed to a limited restoration of Mexican and Canadian works under the United States' NAFTA obligations, creating a new 17 U.S.C. § 104A.[39] In so doing, Congress noted that the language "takes into account U.S. constitutional and budgetary considerations by providing notice to persons who are currently using the works covered by proposed subsection 104A(a) and by giving them a reasonable period in which to use or dispose of their stock."[40]

Like the limited restoration that was permitted after the two World Wars, copyright restoration post-NAFTA was not automatic.[41] Section 104A created a

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[37] *NAFTA Implementation Act: Hearing Before the Subcomm. on Patents, Copyrights, and Trademarks, Senate Comm. on the Judiciary*, 102d Cong., 1st Sess., 111-12 (1991) (statement of Ralph Oman, Register of Copyrights).

[38] *NAFTA Implementation Act: Hearing Before the Subcomm. on Intellectual Property, House Comm. on the Judiciary*, 102d Cong., 1st Sess., 168 (1991) (statement of Ralph Oman, Register of Copyrights).

[39] *NAFTA Implementation Act: Report from the Comm. on the Judiciary*, S. Rep. No. 189, 103d Cong., 1st Sess., 124-25 (1993).

[40] *Id.*

[41] 41 Stat. 368 (1919); 55 Stat. 732 (1941) (allowing copyright restoration after World War I and World War II).

one-year window of time in which copyright owners could petition for copyright restoration, and a one-year grace period for reliance parties, similar to the period provided in the post-war statutes. In addition to these historically rooted limitations, § 104A was limited only to motion pictures and works included in those motion pictures. Copyright was restored only "for the remainder of the term of copyright protection to which it would have been entitled in the United States had [the work] been published with such notice."[42] The provisions took effect on January 1, 1994, but were operative for a year before being further amended through the URAA.

When Congress then came to debate domestic implementation of the trade agreements establishing the World Trade Organization via the URAA, the Congressional Research Service (CRS) provided Congress with a report on copyright restoration for public domain works.[43] Among other things, the CRS Report discussed constitutional concerns and analyzed several different restoration theories, ranging from no restoration at all to a principle of restoration that would hypothetically provide extra time to make up for the "lost years" of no copyright protection, or automatic restoration to all eligible works without relief for

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[42] NAFTA Implementation Act, Pub. L. No. 103-182, § 104A, 107 Stat. 2115 (1993).

[43] *CRS Report for Congress No. 94-645*, Copyright Restoration for Public Domain Works, Dorothy Schrader – Legislative Attorney (Aug. 4, 1994).

reliance parties.[44] The specific "limited times" language of the Progress Clause was also discussed, with the CRS Report concluding that the URAA would not violate the "limited times" requirement because the recapture merely restored the remainder of the normal copyright term, citing the post-war restoration statutes.[45] Various implementation options were also presented, e.g. regarding the length of the renewed copyright term, the protected categories of works, whether the rights granted would be automatic or conditioned, and options for dealing with the interests of reliance parties.[46]

Congress also heard extensive testimony, including warnings that requiring copyright holders to request restoration within a certain window may violate the no-formalities rule in art. 5(2) of the Berne Convention[47] and arguments that U.S. industry interests under the new international trade framework

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[44] *Id.*

[45] *Id.*, at 25-26.

[46] On term, Congress could restore the normal copyright term (the course it actually took), provide an extended term to account for "lost years", or define some shorter term of copyright protection. Regarding the categories of works, Congress could restore protection for all types of works, or only restore certain types of works, similar to the protection of films provided by NAFTA.

[47] *CLA Study on the U.S. Implementation of Berne Article 18, Before Joint Hearing on S. 2368 and H.R. 4894, House Subcomm. on Intellectual Property and Judicial Admin., Senate Subcomm. on Patents, Copyrights, and Trademarks*, at 232 (1994) (statement of Irwin Karp, Columbia School of Law).

would be furthered by applying retroactive copyright legislation to all signatory countries.[48]

The choice that Congress ultimately made was to view NAFTA as an important first step toward compliance with the restoration provisions of the Berne Convention, and the final restoration language of the URAA is functionally almost identical to the approach taken to implement NAFTA.[49]

In light of these limitations, the restoration provisions of the URAA are well within the boundaries of Congress' authority under the Progress Clause. These provisions were debated and their implications (including constitutional issues) studied for almost a decade, and the URAA thus represents Congress' considered and good faith attempt to achieve a fair balance between the interests of foreign copyright owners entitled to the protections of the Berne Convention and those of U.S. reliance parties and the creators of derivative works.

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[48] *Joint Hearing on S. 2368 and H.R. 4894*, at 131 (1994) (statement of Ira Shapiro, General Counsel, Office of the United States Trade Representative).

[49] *Uruguay Round Agreements Act: S. Rep. No. 189*, 103d Cong., 1st Sess. (1993).

II. COMPLIANCE WITH THE UNITED STATES' INTELLECTUAL PROPERTY TREATY OBLIGATIONS FALLS WITHIN CONGRESS' AUTHORITY UNDER THE PROGRESS CLAUSE

A. COMPLIANCE WITH INTELLECTUAL PROPERTY TREATY OBLIGATIONS IS AN INTEGRAL PART OF THE UNITED STATES' TRADE POLICY

In light of the broad authority afforded to Congress by the Progress Clause, there is a justifiable concern that an over-expansion of copyright could subvert rather than enable the constitutional objective of progress and democratic discourse. It is true that the history of copyright is one of increased scope and duration of protection. The late 20th century also saw an expanding link – cemented through the establishment in 1994 of the World Trade Organization (WTO) and its multi-lateral trade agreements, including the Agreement on Trade-Related Aspects of Intellectual Property Rights (TRIPS),[50] which, *inter alia*, incorporated the substantive obligations of the Berne Convention into its provisions – between a country's trade policy and its intellectual property interests. In the United States, the same period saw immense growth of its copyright-intensive industries, such as movies, music and software, that made it the

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[50] Annex 1C of the Marrakesh Agreements establishing the World Trade Organization, April 15, 1994 (henceforth, the "WTO Agreement").

world's largest net exporter of copyrighted works and generated a corresponding need to protect American works both at home and abroad.[51]

Since the establishment of the WTO, the proliferation of bilateral and pluri-lateral trade agreements – many of them involving the United States and incorporating "TRIPS-plus" provisions that strengthen intellectual property protections and their enforcement – has also led to concerns that proponents of strong intellectual property rights have dominated the policy discourse, particularly in the United States, with the implication that both the domestic and foreign policy of the United States in this area has tipped too much in favor of intellectual property monopoly interests.[52]

Naturally, an ever-expanding regime of intellectual property rights (including copyright), even in the name of maintaining a comparative advantage in international trade, cannot be justified in the absence of open, reasoned and balanced policy debates.

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[51] J. Thomas McCarthy, *Intellectual Property: America's Overlooked Export*, 20 U. DAYTON L. REV. 809, 811-12 (1995).

[52] *See, e.g.*, SUSAN SELL, PRIVATE POWER, PUBLIC LAW: THE GLOBALIZATION OF INTELLECTUAL PROPERTY RIGHTS (Cambridge Univ. Press 2003) (discussing the evolution of the TRIPS Agreement); PETER DRAHOS, OPEN SAC'S INST., THE GLOBAL RATCHET FOR INTELLECTUAL PROPERTY RIGHTS: WHY IT FAILS AS POLICY AND WHAT SHOULD BE DONE ABOUT IT (2003) (describing the inclusion in many free trade agreements of detailed intellectual property chapters requiring standards of protection beyond those outlined in the TRIPS Agreement).

Domestic forums for such discussions would include submission of comments and testimony to Congress and the Office of the United States Trade Representative (USTR), which coordinates trade policy as part of the Executive Office of the President.[53] The intertwining of trade issues with intellectual property has become an undeniably significant part of United States policy, occasioning domestic legislative changes as a result. Nonetheless, as long as the reasons for and impact of those changes have been properly considered by Congress acting within its constitutional authority, the fact that a trade-based policy agenda has changed the normative landscape for intellectual property law making is not a principled basis for interfering with legitimate Congressional decisions.

The link between international trade and intellectual property is underscored by the fact that lack of compliance by a WTO member country with its treaty obligations, including the intellectual property provisions of the TRIPS Agreement, can trigger the filing by another WTO member country of a formal dispute with the WTO's Dispute Settlement Body (DSB), comprised of representatives from WTO member countries.[54] A specific dispute settlement

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[53] *See, e.g.*, Trade Act of 1971, Pub. L. No. 93-618, § 301 (1972) (codified as 19 U.S.C. § 2411) (the USTR conducts the annual Special 301 Review which measures the adequacy and effectiveness of intellectual property enforcement on the part of the United States' trading partners).

[54] Understanding on the Rules and Procedures Governing the Settlement of Disputes, WTO Agreement, Annex 2, LEGAL

(Continued on following page)

procedure accompanied by effective enforcement mechanisms to ensure compliance with international intellectual property standards was thus introduced for the first time, in the context of international trade relations.[55]

The first copyright-related complaint filed under this dispute settlement mechanism was by the European Communities (EC) against the United States, resulting in a formal panel report adopted by the full DSB in 2000. The panel found that the United States' statutory copyright exemption for certain business establishments was inconsistent with its copyright obligations under the TRIPS Agreement.[56] As a result, the United States had to bring its law into compliance within a reasonable period of time, determined by an arbitrator to be twelve months from the date of DSB adoption of the panel report, which was subsequently extended to 31 December 2001. The nullification or impairment of trade benefits to the EC as a result

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INSTRUMENTS – RESULTS OF THE URUGUAY ROUND, vol. 31, 33 I.L.M. 1226 (1994), art. 16(4).

[55] Art. 33 of the Berne Convention permitted disputes regarding compliance to be referred to the International Court of Justice, but this was never used nor did non-compliance trigger any enforcement mechanism.

[56] World Intellectual Property Organization, Dispute Settlement, United States – Section 110(5) of the U.S. Copyright Act: Report of the Panel, WT/DS/160/R (June 15, 2000), *available at* http://www.wto.org/english/tratop_e/dispu_e/cases_e/ds160_e.htm (page last accessed August 1, 2011).

of the United States' non-compliance was also determined to be € 1,219,900 annually.[57]

As of August 2011, ten years after the panel report was adopted by the full WTO DSB, the United States has yet to take any legislative measures to amend the Copyright Act. In 2002, the EC threatened to suspend trade concessions to the United States, pursuant to art. 22.2 of the WTO Dispute Settlement Understanding (DSU),[58] and expressed concern at the delay and lack of progress on the part of the United States. Both sides have continued discussions to find a mutually acceptable solution, and the United States has presented regular status reports to the WTO DSB meetings, stating that it "will continue to confer with the European Union, and to work closely with the U.S. Congress, in order to reach a mutually satisfactory resolution of this matter."[59]

While it is not possible to conclude that a failure to enact copyright restoration legislation would have definitely subjected the United States to a similar WTO complaint under the DSU for non-compliance with the TRIPS Agreement, it is clear that non-compliance by the United States, with its intellectual property treaty obligations, affects international

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[57] *See id.*

[58] WTO Annex 2, *supra* note 43.

[59] United States Mission to the United Nations and Other International Organizations at Geneva (July 20, 2011), *available at* http://geneva.usmission.gov/2011/07/21/us-statements-july-20-2011-dsb/ (page last accessed August 1, 2011).

comity and implicates American intellectual property exports. All WTO member countries are obliged to comply with the Berne Convention due to its incorporation into the TRIPS Agreement. Where, prior to the enactment of § 104A, the United States' failure to fulfill its obligations under art. 18 of the Berne Convention had motivated several nations to refuse to protect American works, resulting in the loss of substantial revenue totaling in the billions,[60] American restoration of foreign works that are still in copyright in their source countries removes the

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[60] *General Agreement on Tariffs and Trade (GATT): Intellectual Property Provisions: Joint Hearing on H.R. 4894 and S. 2368 Before the Subcomm. on Intellectual Property and Judicial Administration of the H. Comm. on the Judiciary and the Subcomm. on Patents, Copyrights, and Trademarks of the S. Comm. on the Judiciary*, 103d Cong., 2d Sess., 137, 246 (Statement of Eric Smith, Executive Director and General Counsel of the International Intellectual Property Alliance) ("Many of our trading partners, particularly in Europe, have made it clear to this country that they consider us in violation of our obligations under Article 18. . . . Literally billions of dollars have been and will be lost every year by U.S. authors, producers and publishers because of the failure of many of our trading partners to protect U.S. works which were created prior to the date the U.S. established copyright relations with that country, or, for other reasons, these works have fallen prematurely out of copyright in that country.") (statement of Ira Shapiro, General Counsel, Office of U.S. Trade Representative) ("Some other countries, such as Thailand and Russia, have refused to protect U.S. works in the public domain in their territory citing the U.S. interpretation of Berne Article 18 as justification.").

excuse for other nations not to protect American works in their jurisdictions.[61]

Complying with its international treaty obligations will also enable the United States to continue to "play a leadership role in the give-and-take evolution of the international copyright system."[62] If the Progress Clause is interpreted so narrowly as to restrict Congress' authority to enact legislation only with respect to new works, the United States would also lose flexibility in its negotiations and dealings in the international arena.[63]

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[61] *Id.* at 225, 256 (statement of Irwin Karp, Counsel, Committee for Literary Studies) ("U.S. retroactive protection for foreign works in our public domain may induce other countries with whom we recently established copyright relations to grant retroactive protection to contemporary U.S. works that previously fell into their public domains.") (statement of Jack Valenti, President and CEO of the Motion Picture Association of America) ("If the U.S. 'retroactively' protects works from, for example, Russia, the former Soviet Republics, the former Eastern Bloc countries, South Korea, China, then we have every reason to expect those countries to protect previously produced American creative works.").

[62] Shira Perlmutter, *Participation in the International Copyright System as a Means to Promote the Progress of Science and Useful Arts*, 36 LOY. L.A. L. REV. 323, 332 (2002).

[63] *Id.*

B. THE UNITED STATES' RESTORATION PROVISIONS FURTHER THE AIMS OF THE PROGRESS CLAUSE

The Progress Clause should not be read so narrowly as to limit its objectives only to protecting the actual production of new works for other reasons as well. The restoration mechanisms provided by § 104A promotes the objectives of the Progress Clause by maintaining economic incentives for authors to produce (including the authorization and creation of derivative works from existing protected works) and disseminate (including through new and broader distribution channels) works of creative expression. By increasing economic incentives for authors in the United States, it encourages a diverse pool of authors to create and distribute expressive works that add to the public store of knowledge. Authors whose copyrights have been restored may be economically incentivized to maximize the economic value of their works by increased commodification,[64] and preserve the social value of their creations by practicing good "social husbandry" of "cultural objects."[65]

While a robust and expansive public domain clearly facilitates greater access to and use of creative works, a public domain that over-values access and

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[64] WILLIAM M. LANDES & RICHARD A. POSNER, AM. ENTER. INST., THE POLITICAL ECONOMY OF INTELLECTUAL PROPERTY LAW (2004).

[65] William M. Landes & Richard A. Posner, *Indefinitely Renewable Copyright*, 70 U. CHI. L. REV. 471, 486 (2003).

use by anyone to resources that may be free (as in unprotected by legal rights) in some (but not necessarily all) territories can also have a negative cumulative effect on cultural diversity and the right of self-expression. For example, should traditional cultural expressions, oral traditions and folklore be freely available for use (including commercial exploitation) by anyone?[66] Thus, the preservation and expansion of the public domain must also take into account those countervailing arguments that may favor, in some instances, a continuation or conferment of exclusive rights. In light of the public benefits that can accrue as a result of restoration of copyrights still under protection in their native countries, the constitutional goal to promote progress should be interpreted more liberally to include restoration of copyright protection for these works, if they meet the limited criterion set forth in § 104A.

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[66] *See, e.g.*, WORLD INTELLECTUAL PROPERTY ORGANIZATION, INTERGOVERNMENTAL COMMITTEE ON INTELLECTUAL PROPERTY AND GENETIC RESOURCES, TRADITIONAL KNOWLEDGE AND FOLKLORE, WIPO DOCUMENT WO/GA/26/6 (2000), *available at* www.wipo.int/edocs/mdocs/govbody/en/wo_ga_26/wo_ga_26_6.pdf.

III. RESTORING FOREIGN COPYRIGHTS UNDER SECTION 514 DOES NOT THREATEN THE PUBLIC DOMAIN

A. THERE WILL BE ONLY A LIMITED DIMINUTION OF THE PUBLIC DOMAIN THROUGH RESTORATION OF THE COPYRIGHT STATUS OF CERTAIN FOREIGN WORKS

The public domain is a concept whose contours remain amorphous and vague. Although the public domain is an important feature in the copyright system, an exact and universally accepted definition remains elusive, to the point where there may be as many as thirteen possible definitions of the public domain.[67] The concept of the public domain ranges from works previously copyrighted but whose terms of protection have expired[68] to works that are unprotected by intellectual property law.[69]

Works may be in the public domain in one country but remain protected by copyright in another. Article 18(1) of the Berne Convention requires that member nations grant copyright protection to works that "have not yet fallen into the public domain in the country of origin through the expiry of the term of

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[67] Pamela Samuelson, *Enriching Discourse on Public Domains*, 55 DUKE L. J. 783 (2006).

[68] JULIE COHEN ET AL., COPYRIGHT IN A GLOBAL INFORMATION ECONOMY 13 (3d ed. 2010).

[69] Tyler T. Ochoa, *Origins and Meanings of the Public Domain*, 28 U. DAYTON L. REV. 216 (2003).

protection."[70] A foreign work that continues to have copyright protection in its country of origin but that has fallen into the public domain in the United States – not because it cannot be copyrighted and not because its protection has expired – is therefore a work caught between two worlds. In its country of origin, the work is still in copyright and the author afforded all the rights and privileges that come with copyright protection. However, those same works may be subject to exploitation here in the United States because they are categorized as public domain works through failure to comply with copyright formalities previously required for federal copyright protection. This class of foreign copyrighted works may be considered the unfortunate denizens of a specific sub-set of the overall much broader public domain.

Article 18(1) of the Berne Convention requires copyright restoration for foreign works which fell into the public domain in a country acceding to the Convention, provided that the reason for them being in the public domain is not due to expiry of their copyright terms, and that they remain in copyright in their country of origin.[71] Article 18(2) makes it clear that works whose copyright term have expired cannot have their copyright revived through restoration.[72] The class of foreign works that may be eligible for

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[70] Berne, *supra* note 7, art. 18(1).

[71] *Id.*

[72] *Id.* at art. 18(2).

copyright restoration (subject, *per* art. 18(3), to each country determining, "each in so far as it is concerned, the conditions of application") is therefore a limited, definable class.

The removal of these foreign works from the public domain in the United States will not have significant damaging or detrimental effects on the public domain as a whole. Removal from the public domain via restoration in accordance with § 104A is a limited removal, only extending protection to those works that fell into the public domain for one of two specific reasons: lack of compliance with the United States pre-Berne required formalities, or because the foreign work was not protected in the United States for lack of treaty arrangements between its source country and the pre-Berne United States. Although the number of foreign works that would be eligible for restoration likely number in the millions,[73] they are unlikely to represent a substantial portion of the works available in the general public domain.

B. RESTORATION OF THE COPYRIGHT STATUS OF CERTAIN FOREIGN WORKS IS JUSTIFIABLE AND LIMITED IN SCOPE

The foreign works in the hapless public domain are distinguishable from works in the public domain

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[73] Marybeth Peters, *The Year In Review: Accomplishments And Objectives Of The U.S. Copyright Office*, 7 FORDHAM INTELL. PROP. MEDIA & ENT. L.J. 25 (1996).

for other reasons (such as lack of copyrightability or expiry of the copyright term) because the works in the hapless public domain do not properly belong in the public domain. There is a significant difference between works that have fallen into the public domain because of failure to comply with formalities and those works whose terms have simply expired. The former encompasses a limited class of works, and is not broadly applicable to most works that have fallen into the public domain. They should not have been viewed as analogous to the latter.

For those foreign works that fell into the public domain in the United States for non-compliance with formalities, it is worth noting that the formalities requirement has been described as "draconian"[74] and a "trap for the unwary,"[75] to the extent that courts have either tolerated substantial rather than complete compliance, or adopted a strained notion of the publication requirement.[76] Congress itself described the renewal requirement, prior to the United States' adoption of the unitary copyright term as a preparatory step toward joining Berne, as "extremely burdensome, not only as a needless formality and as an expense, but also as a cause of inadvertent and unjust

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[74] Jane C. Ginsburg, *The US Experience with Copyright Formalities: A Love/Hate Relationship*, 33 COLUM. J.L. & ARTS 311, 334 (2010).

[75] *Id.* at 322.

[76] *Id.* at 322-25.

loss of copyright in a number of cases."[77] Seen in this light, copyright restoration under § 104A for these foreign works may even be fair, as to expect foreign rights-holders to monitor and comply all of the various technical, complex, and occasionally uncertain procedural requirements of the United States' copyright law would be unduly onerous.

Additionally, the works for which copyright will be restored are not being entirely removed from the public domain. Removal of their public domain "status" does not equate to removal of access altogether, nor would the public's ability to use the ideas, knowledge and other material unprotected by copyright and contained in them be abated. Further, § 104A(d)(3) allows for reliance parties to continue exploiting derivative works made prior to restoration upon payment of "reasonable compensation" to the right-holder.[78] If the right-holder and the reliance party cannot agree on the sum, a district court may do so, taking into account "any harm to the actual or potential market for or value of the restored work from the reliance party's continued exploitation of the work, as well as compensation for the relative contributions of expression of the author of the restored work and the reliance party to the derivative work."[79]

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[77] H. COMM. ON THE JUDICIARY, 89TH CONG., REP. ON COPYRIGHT LAW REVISION (Comm. Print 1965).

[78] 17 U.S.C. § 104A(d)(3)(1)-(2) (2000).

[79] *Id.*

In either case, the sum concerned could be minimal or even zero.

The notice requirement for restoration under § 104A also serves as potential limitation on the number of works that will be restored, by placing the burden on the right-holder to serve the requisite notice of intent on reliance parties (or, if done during the 24-month period following the date of restoration, by filing with the Copyright Office). It is therefore up to the right-holder to locate the reliance parties, which may not be an easy task. The notice also triggers a twelve-month "grace period," as infringement claims must pertain only to acts done after that time.[80]

While Congress could conceivably have chosen a different mechanism for copyright restoration to achieve compliance with the United States' international treaty obligations, including, for example, broader exemptions for reliance parties, art. 18 does not permit permanent and indefinite use of restored works. "[A]lthough the word is not used, they are transitional in nature and their essential purpose should be to ensure that third parties who have previously acted in the absence of legal restraint should not be penalized once these restraints have come into operation. On the other hand, this does not authorize these persons to continue their usage indefinitely: a situation must eventually be reached when the work is protected in relation to all

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[80] *Id.* at § 104A(c), (d)(1)-(2).

persons."[51] The legislative history shows that Congress had considered the various legislative options as well as the competing public interests at stake, and its decision indicates that these interests have been explicitly recognized in the statutory restoration mechanism.

CONCLUSION

Article 18 of the Berne Convention mandates copyright restoration for foreign works that fell into the public domain in the United States for reasons other than expiry of the copyright term. Such restoration may be done in accordance with the limitations of the national law of each country. In the United States, this lies in art. 1, § 8, cl. 8 of the Constitution, which restricts Congress' authority to enact and amend copyright legislation by requiring that this be in pursuance of progress in science and useful arts. The stated constitutional objective is, however, broad, and the courts have recognized that Congress has

[51] SAM RICKETSON & JANE C. GINSBURG, INTERNATIONAL COPYRIGHT AND NEIGHBORING RIGHTS: THE BERNE CONVENTION AND BEYOND § 6.123(2) (2d ed. 2006). *See also Report of Dr. Mihály Ficsor*, Golan v. Gonzales, No. 01-B-1854(BNB), 2005 U.S. Dist. LEXIS 6800 (D. Colo. 2005) (which stated a similar opinion and attached a letter containing similar statements from Arpad Bogsh, former Director General of WIPO, to Bruce Lehman, Assistant Secretary of Commerce and Commissioner of Patents and Trademarks (Oct. 10, 1995)).

considerable latitude in deciding on the means and scope of its achievement.

The legislative history shows that Congress was aware and took account of the constitutional implications of restoration as well as competing public interests. Deferring to Congress in such an instance does not mean there is no role for the courts to ever review Congressional action under the Progress Clause. This would be appropriate where Congress oversteps its authority and alters the "traditional contours" of copyright law.

The realpolitik of modern international copyright, coupled with the United States' national self-interest in protecting American authors abroad, means that compliance with its international treaty obligations is not optional. Although no state has actually retaliated under the WTO Agreements against the United States for the latter's non-compliance with its international treaty obligations, international comity and ensuring legitimacy for the United States' leadership role on the international stage favor acceding to Congress' exercise of its constitutional authority where there is also a constitutionally legitimate benefit.

The route that Congress chose to implement the United States' obligations under art. 18 of the Berne Convention applies only to a limited and identifiable class of foreign works, which are still in copyright in their source countries. To enjoy the benefits of copyright restoration in the United States, the rights-holders in these works are obliged to fulfill certain

other criteria and permit continued use of pre-existing derivative works by reliance parties for a reasonable fee. Although copyright restoration would, in actuarial terms, result in a diminution of the public domain, this will be limited and confined only to those foreign works that fell haplessly there. Any expression-related harm that may result will be relatively small given the constitutionally legitimate benefit that exists in this case.

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AMICUS CURIAE BRIEF

No. 10-545

In the

SUPREME COURT OF THE UNITED STATES

LAWRENCE GOLAN, ET AL.,

Petitioners,

v.

ERIC H. HOLDER, JR., ATTORNEY GENERAL, ET AL.,

Respondents.

On Writ of Certiorari
To The United Sates Court of Appeals
For The Tenth Circuit

BRIEF OF *AMICUS CURIAE* PROFESSOR DANIEL J. GERVAIS IN SUPPORT OF PETITIONERS

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TABLE OF CONTENTS

Page

TABLE OF AUTHORITIES ii

INTEREST OF AMICUS CURIAE 1

SUMMARY OF ARGUMENT 2

ARGUMENT 3

I. THE BERNE CONVENTION DOES NOT MANDATE THE PRECISE SCOPE OF RETROACTIVE PROTECTION DUE TO WORKS IN THE PUBLIC DOMAIN 3

II. THE NEGOTIATING HISTORY OF THE BERNE CONVENTION REFLECTS AN INTENT TO PERMIT MEMBER STATES TO IMPLEMENT ARTICLE 18 AS THEY SEE FIT 8

III. THE SECONDARY LITERATURE COMMENTING ON THE BERNE CONVENTION ALSO CONFIRMS THE FLEXIBILITY LEFT TO MEMBER STATES 13

IV. THE TRIPS AGREEMENT DID NOT ALTER MEMBER STATES' OBLIGATIONS UNDER THE BERNE CONVENTION AND ANY TRADE RETALIATION AGAINST THE UNITED STATES IS UNLIKELY ... 19

CONCLUSION 24

TABLE OF AUTHORITIES

Page

CASES

Brazil - Export Financing Programme for Aircraft, Case No. WT/DS46 (April 14, 1999) 20

Golan v. Gonzales, 501 F.3d 1179 (10th Cir. 2007) .. 8

Hanfstaengl v. Holloway, (1893) 2 Q.B. 1 15

Military and Paramilitary Activities in and Against Nicaragua (Nicaragua v. United States), 1986 I.C.J. 14 (June 27, 1986) 7

Murray v. The Charming Betsey, 6 U.S. (2 Cranch) 64 (1804) 19

United States - Section 110(5) of the U.S. Copyright Act, Case No. WT/DS160 (June 15, 2000) 21, 22

United States of America — Section 211 Omnibus Appropriations Act of 1998, Case No. WT/DS176 (Jan. 2, 2002) 22

STATUTES

Berne Convention (Paris Act, 1971) ..... *passim*

TRIPS Agreement ..... *passim*

U.S. Copyright Act, 17 U.S.C. 110(5)(b) 22

Uruguay Round of Agreements Act (Apr 15, 1994) 23

Vienna Convention on the Law of Treaties, May 23, 1969, 1155 U.N.T.S. 331 9

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I

INTEREST OF AMICUS CURIAE[1]

Professor Daniel J. Gervais is an internationally respected expert on intellectual property law, with deep knowledge of international issues relating to intellectual property, including the Berne Convention. Professor Gervais is Professor of Law at Vanderbilt University Law School and Co-Director of Vanderbilt's Technology and Entertainment Law Program. Before joining Vanderbilt, he was Acting Dean and Vice-Dean (Research) at the University of Ottawa (Common Law Section), and taught intellectual property law at various other institutions around the world, and was Visiting Scholar at Stanford Law School. Professor Gervais has written extensively about intellectual property law, having authored or co-authored six books, edited or contributed to twenty-two others, and written forty-two journal publications in the field. His book on the Agreement on Trade-Related Aspects of Intellectual Property Rights (TRIPS) is a leading textbook on international intellectual property law and has been cited by the European Court of Justice and a number of national courts.

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[1] Pursuant to Rule 37.6, *amicus* states that no counsel for a party authored this brief in whole or in part, and no person or entity other than *amicus* and his counsel made a monetary contribution to the preparation or submission of this brief. Counsel of Record states that *amicus* Gervais is the author of this brief. Pursuant to Rule 37.3(a), letters of consent to file this brief from petitioners and respondents have been filed with the Clerk of the Court.

Amicus has a compelling interest in this case. He was previously Legal Officer at the General Agreement on Tariffs and Trade (GATT), responsible for the TRIPS negotiations, and Head of the Copyright Projects Section at the World Intellectual Property Organizations (WIPO). As a former officer of international organizations committed to ensuring compliance with international intellectual property agreements, Professor Gervais has an interest in seeing those agreements properly interpreted and applied in the United States and other member states. *Amicus* believes that Congress could have granted a more limited form of retroactive protection to works in the public domain in order to meet its international obligations while respecting the constitutional rights of third parties.

SUMMARY OF ARGUMENT

The Berne Convention leaves member states wide latitude to set the conditions under which works in the public domain receive retroactive copyright protection when they adhere to the Convention. The Convention itself does not mandate that any particular level of protection be granted to such works because, as both the negotiating history and secondary literature recognize, the drafters of the Convention recognized that member states would face implementing constraints in their own countries. Whether or not the United States recognized the flexibility it was left when it joined the Convention, it is clear that Congress could have granted a more limited form of retroactive protection to works in the public domain in order to meet its international

obligations while protecting the constitutional rights of third parties.

ARGUMENT

I. THE BERNE CONVENTION DOES NOT MANDATE THE PRECISE SCOPE OF RETROACTIVE PROTECTION DUE TO WORKS IN THE PUBLIC DOMAIN

The United States joined the Berne Convention for the Protection of Literary and Artistic Works in 1989, adhering to its most recent version, the 1971 "Paris Act." Article 18 of the Paris Act addresses how member states should implement the Convention at their time of entry (also known as "application in time"). Article 18(1) provides that: "'This Convention shall apply to all works which, at the moment of its coming into force, have not yet fallen into the public domain in the country of origin through the expiry of the term of protection." Berne Convention for the Protection of Literary and Artistic Works, Art. 18(1), September 9, 1886, *as last revised* at Paris on July 24, 1971, 1161 U.N.T.S. 30 [hereinafter "Berne Convention"]. Article 18(2) goes on to clarify that "[i]f, however, through the expiry of the term of protection which was previously granted, a work has fallen into the public domain of the country where protection is claimed, that work *shall not* be protected anew."[2] *Id.* at Article 18(2), emphasis added. In other words, if a

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[2] Proponents of a very restrictive reading of Article 18(3) tend to emphasize the "shall" in Article 18(1) ("shall apply") but not this second "shall not." The Convention clearly establishes two *equally important principles*.

work has fallen into the public domain because its term of protection expired *either* in the work's country of origin or in the country where protection is claimed, then it need not be protected when the Convention enters into force.

Taken together, Articles 18(1) and 18(2) provide that a work already in the public domain should be protected anew — that is, removed from the public domain and placed (back) in the exclusive domain of the foreign copyright holder(s) — *only* in the specific circumstance where that work both remains protected in its country of origin *and* is not protected in the country where protection is claimed for a reason *other* than the expiration of a term of protection previously granted (*e.g.*, for failure to comply with a registration requirement). Thus, for example, if a work was protected for the life of the author plus fifty years (the Berne Convention minimum, see Article 7) and a country joining the Convention had a previous term of protection of twenty-eight years, then a work still protected in its country of origin but whose twenty-eight-year term of protection had expired in the country joining the Convention would not be protected anew. If, however, the work was still protected in the country of origin and was not protected in the country joining the Convention due to a failure to comply with a formality such as registration, then Articles 18(1) and (2) would impose a limited obligation to protect that work and, accordingly, remove it from the public domain, subject to Article 18(3).

In recognition of the very real hardship imposed on parties who relied on their legitimate

right to exploit unprotected works,[3] Article 18(3) provides that the above principles,

> shall be subject to any provisions contained in special conventions to that effect existing or to be concluded between countries of the Union. In the absence of such provisions, the respective countries shall determine, each in so far as it is concerned, the conditions of application of this principle.

Article 18(3) therefore provides that, in the absence of another implementing agreement between member states, each member country can decide how to apply retroactive protection to works in its public domain.

Under Article 18(3), Berne Union members thus have two options: making a special convention or determining "conditions." On the former, a special convention such as the TRIPS Agreement could have been used to modify Article 18 or determine a more precise set of conditions. The Agreement was negotiated in the relevant time frame for U.S. implementation of the Convention (that is, between 1987 and 1994).[4] The United States asked and

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[3] See 1 Sam Ricketson & Jane C. Ginsburg, INT'L COPYRIGHT AND NEIGHBOURING RIGHTS 333 (2D ED. 2006) (noting the need, under Article 18, "to strike some balance between . . . 'acquired rights' or 'reliance interests' and the newly recognized rights of the foreign author").

[4] See Daniel Gervais, THE TRIPS AGREEMENT: DRAFTING HISTORY AND ANALYSIS, 3D ED., 12-27 (2008).

obtained agreement that moral rights protected under Article 6*bis* of the Berne Convention not be incorporated into the TRIPS Agreement.[5] It could have tried to obtain concessions on retroactive protection. Obtaining that concession from U.S. trading partners, in particular the Europeans, was not an easy task.[6] Moral rights matter a great deal to most European countries and others around the world.[7]

The second option, absent a special convention, is to impose "conditions" on the retroactive protection. Here, the Convention imposes no particular limits (or requirements) on such conditions. A country joining the Berne Convention may decide to offer protection to parties who have relied on a work in the public domain (so-called "reliance parties"), though under the Convention it does not have to do so. Conversely, while the Berne Convention clearly requires that *some* level of protection be given to works by foreign authors whose works have entered the public domain (other than by expiration of previous copyright), the scope of that protection is essentially left to the discretion of each member state.

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[5] The second sentence of Article 9(1) of the Berne Convention excludes the possibility of raising a violation of Article 6*bis* and other related provisions in the dispute-settlement process of the World Trade Organization.

[6] *See* Gervais, note 4, *supra*, 213-218.

[7] See Ricketson & Ginsburg, note 3, *supra*.

The United States likely will argue that Article 18(3) should be interpreted narrowly and that Berne Convention members should strive to limit the protection of reliance parties as much as possible because Article 18 establishes a baseline principle that existing works should be protected at the time of entry. Such a position lacks a textual basis in the text of the Paris Act of the Berne Convention. It is also hard to reconcile with (a) Article 18(2) and the principle that works whose term of protection has expired "*shall not* be protected anew" and (b) the principle of international law that States can do all that is not prohibited. *Military and Paramilitary Activities in and Against Nicaragua (Nicaragua v. United States)*, 1986 I.C.J. 14 (June 27, 1986) ("in international law there are no rules, other than such rules as may be accepted by the State concerned, by treaty or otherwise"). Article 18(3) specifically provides that States can decide which conditions to impose when restoring copyright protection.

Indeed, the text of the Convention could be construed to take the position that it is desirable to apply retroactive protection *narrowly*. For example, Article 18(2) does more than simply state that works whose term of protection has expired should not be retroactively protected: instead, it affirmatively commands member states that such works "*shall not* be protected" (emphasis added), suggesting that a member state may actually violate the Convention by doing so. A similar sentiment against broad protection is found in Article 7 of the Convention, which contains a rule known as the "comparison of the terms of protection": under Article 7, a Berne Convention member country does not have to extend

protection to a work no longer protected in its country of origin — for example, if the country of origin has a shorter term of protection.[5] It is a cardinal principle of copyright law that people can use the public domain at will so that the copyright cycle can continue, making copyright "the engine of free expression." *Golan v. Gonzales*, 501 F.3d 1179, 1183 (10th Cir. 2007). Removing works from the public domain goes against this principle and thus should be considered with utmost caution. *See* Thomas Gordon Kennedy, *GATT-Out of the Public Domain: Constitutional Dimensions of Foreign Copyright Restoration*, 11 ST. JOHN'S J. LEGAL COMMENT 545, 578 (1996). Stating that Article 18(3) must necessarily be interpreted narrowly is thus highly questionable.

II. THE NEGOTIATING HISTORY OF THE BERNE CONVENTION REFLECTS AN INTENT TO PERMIT MEMBER STATES TO IMPLEMENT ARTICLE 18 AS THEY SEE FIT

The negotiating history of the Berne Convention confirms that member states were meant to have significant leeway in setting the level of retroactive protection to be afforded to works already

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[5] Berne Convention (1971), Article 7(8) ("[T]he term shall be governed by the legislation of the country where protection is claimed; however, unless the legislation of that country otherwise provides, the term *shall not exceed* the term fixed in the country of origin of the work") (emphasis added).

in the public domain.[9] Article 14 in the original 1866 text of the Convention — the provision corresponding to Article 18 in the 1971 Paris Act — read as follows: "Under the reserves and conditions to be determined by common agreement, this Convention shall apply to all works which at the moment of its coming into force have not yet fallen into the public domain in the country of origin." Berne Convention (1866), art. 14 *available in* WIPO: BERNE CONVENTION CENTENARY (1886-1986) (1986).[10] Thus, the original extent of a member state's obligation under Article 18 was left to be defined in a separate "common agreement." That agreement was ultimately codified in the Final Protocol of September 9, 1886 (adopted on the same date as the original text of the Convention). Paragraph 4 of the Protocol read as follows:

> [1] The common agreement provided for in Article 14 of the Convention is established as follows: [2] The application of the Convention to works which have not fallen into the public domain at the time when it comes into force shall take effect according to the relevant provisions contained in special conventions existing, or to be concluded, to that effect. [3] In the absence of such provisions between any countries of the Union, the respective countries shall

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[9] Article 32 of the Vienna Convention on the Law of Treaties, May 23, 1969, 1155 U.N.T.S. 331, specifically permits use of the negotiating history as an interpretive tool.

[10] All original texts were in French.

> regulate, each in so far as it is concerned, *by its domestic legislation*, the manner in which the principle contained in Article 14 is to be applied.

Id. at 228. The Final Protocol thus only established a general principle that there should be some retroactive protection, leaving it up to each country to conclude special conventions or to decide how that principle should be applied.[11] The Records of the 1885 Diplomatic Conference where the text of Article 14 was agreed upon are very clear: "As noted below, in connection with the Final Protocol, the implementation of the above Article [14] will be left to each country of the Union, which will decide on the conditions of retroactivity according to its own laws or specific conventions." *Id.* at 123.[12]

At the 1908 Revision Conference held in Berlin, Germany, Article 14 became Article 18 and the

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[11] It is of note that, at the time of the Paris revision, France proposed deletion of the reference to "conditions" in Article 14 and only a limited ability "to adopt transitional measures on the part of new accessions under paragraph 4 of the Closing Protocol." The proposal was met by German and British opposition "on the ground that, despite the lapse in time, absolute retroactivity might still injure 'legitimate [reliance] interests.'" 1 Ricketson & Ginsburg, INT'L COPYRIGHT AND NEIGHBOURING RIGHTS at 336.

[12] The 1896 Additional Act of the Convention modified Paragraph 4 of the Final Protocol to make it applicable to translations and to "new accessions to the Union." Berne Convention. Additional Act and Interpretative Declaration of Paris of May 4, 1896, BERNE CONVENTION CENTENARY, 228.

provisions of the Final Protocol of 1886, as amended in Paris in 1896, were incorporated into a single Article. Because Article 18 essentially took its final form at that Conference, the discussion on retroactive application at that Conference is illuminating. The Report of that Conference reads in part as follows: "Account had to be taken of the *de facto* situation existing in certain countries at the time the Convention came into force, of the interests of those who might have lawfully reproduced or performed foreign works without their authors' authorization." *Id.* at 158. There was thus a clear acknowledgment, over a hundred years ago, that certain third-parties might have legitimate interests existing in works that would be retroactively protected under the new Convention.

One notable difference between the 1886 version and the current version (adopted in 1908) is that, while the former allowed countries to "regulate, each in so far as it is concerned, *by its domestic legislation*, the manner in which the principle contained in Article 14 is to be applied," the latter allows countries to "determine, each is so far as it is concerned, the conditions of application" of the principle of restoration. *Compare* Berne Convention Final Protocol (1886) ¶ 4, *with* Berne Convention (1971), Article 18(3) (emphasis added). The current text is thus not limited to regulation by legislation; a court, for example, can now determine appropriate conditions for retroactive protection under the Convention. Indeed, the WIPO Guide to the Berne Convention specifically notes that "it is a matter therefore for each member country to decide on the limits of this retroactivity and, in litigation, for the

courts to take into account these acquired rights [of reliance parties]." WIPO, GUIDE TO THE BERNE CONVARTISTIC WORKS at 186 (1978).

The much more recent WIPO Copyright Treaty was adopted on December 20, 1996. *See* WIPO Copyright Treaty, Dec. 20, 1996, S. Treaty Doc. No. 105-17 (1997), 36 ILM 65 (1997).[13] Its application in time mirrors Article 18 of the Berne Convention (1971). *See id.*, Article 13. The Records of the Diplomatic Conference at which that treaty was adopted contain the following statement from the Conference Chairman, discussing possible options for a provision on application in time:

> [The Chairman] believed that . . . there would be no retroactive effect concerning prior acts[,] and the provisions of the Treaty would not introduce an obligation to countries to change their laws in such a way that prior agreements would be changed. He felt that that was *in most countries probably already constitutionally prohibited*. . . . He acknowledged that revival of rights in some cases would cause practical problems.

RECORDS OF THE DIPLOMATIC CONFERENCE ON CERTAIN COPYRIGHT AND NEIGHBORING RIGHTS QUESTIONS, GENEVA, 1996, Vol. II, 727 (1999)

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[13] The United States adhered to the WIPO Copyright Treaty as of March 6, 2002.

(emphasis added). Undeniably aware of the problems that would be caused by application of the Convention to works in the public domain at the time of a member country's implementation, Article 18 thus grants wide discretion to members to determine the conditions of application of retroactivity.

III. THE SECONDARY LITERATURE COMMENTING ON THE BERNE CONVENTION ALSO CONFIRMS THE FLEXIBILITY LEFT TO MEMBER STATES

The academic commentary on Article 18 confirms that, from the beginning, member States were left with broad implementing discretion. Indeed, as Sam Ricketson reiterated in the second edition of his Berne Convention commentary (coauthored with Professor Jane C. Ginsburg of Columbia University), Article 18(3) "leave[s] considerable latitude to countries as to how they will implement the principle of retroactivity, enabling them to safeguard any rights which have been acquired in the previous situation where no legal protection applied." 1 Ricketson & Ginsburg, INT'L COPYRIGHT AND NEIGHBOURING RIGHTS at 342. As a result, "wide differences are to be seen in the provisions adopted by member countries." *Id.* It is very difficult to conclude from anything in the text of the Convention that any measure adopted under Article 18(3) must thus be very brief or indeed temporary. It must be *transitional*, which it is by definition as a measure destined to ensure an orderly transition from non-Berne to Berne status, but transitional is not synonymous with brief or short-lived. Because Articles 18(1) and (2) establish two equally important principles, Article 18(3) must

be interpreted as conferring latitude to effect its purpose, namely protect the legitimate rights of reliance parties for as long as is required. Additionally, proposals to set specific time limits in Article 18(3) were rejected by Berne member states.

One of the earliest detailed commentaries published in English on the Berne Convention was William Briggs, THE LAW OF INTERNATIONAL COPYRIGHT (1906) (reprinted 1986). Discussing Article 14 (the predecessor to Article 18), Briggs noted that:

> These qualifications [in the Final Protocol] proceeded from a desire to safeguard vested interests. In the absence of international protection foreign works had at one time been universally looked upon as lawful objects for native reproduction, either in their original form, or by adaptation or translation. Capital had been sunk, labour had been employed in making these valuable reproductions; lawful interests had been thereby created, and a quasi-property had thus been acquired. A State which had tolerated the indiscriminate reproduction of foreign works would hardly be justified in giving an unqualified consent to the principle of retroactivity, without making due provision for the securing of this quasi-property. Hence the rule of Art. 14 was not made absolute, and it was left to each country to regulate by particular

> agreement or by domestic law the mode in which it should be applied.

Id. at 266. Briggs goes on to note not only that proposals by Belgium and France to remove the flexibility contained in the Final Protocol at the 1896 Revision Conference were defeated (*id.* at 267), but that when the United Kingdom implemented the original text of the Convention, its implementing legislation provided that "nothing in this section [of the International Copyright Act of 1886] shall diminish or prejudice any rights or interests arising from or in connection with [the production of any work in the United Kingdom prior to the entry into force of the Act] which are valuable and subsisting" (*id.* at 268). Briggs then referenced a case in which a British court would have been prepared to let a reliance party produce fresh copies of a work even after the application of the Act, if the reliant party "had not himself recouped for his outlay." *Id.* at 268-269.[14]

A complete study of the application of Article 18 in the United States was prepared by Irwin Karp. Irwin Karp, *Final Report, Article 18 Study on Retroactive United States Copyright Protection for Berne and Other Works*, 20 COLUM.-VLA J.L.& ARTS 157 (1996). Mr. Karp noted, first, that because most

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[14] *See Hanfstaengl v. Holloway*, (1893) 2 Q.B. 1. During the 1884 Berne Conference, it was noted that the protection of reliance parties that a country could impose was not limited to copies in existence at the time of application of the Convention but could also extend to copies "in the process of being completed." WIPO: BERNE CONVENTION CENTENARY at 92.

European countries adhered to the Convention in the late nineteenth or early twentieth century, the issue of retroactive protection has all but disappeared from policy radars in those jurisdictions. *Id.* at 167. In addition, very few of them had registration systems. *Id.* at 172. Citing the opinion of "many United States and most foreign copyright experts," Mr. Karp concluded that while the United States had "considerable leeway in fashioning the conditions of retroactivity," it did not have enough leeway to "deny any degree of retroactivity." *Id.* at 172. In other words, imposing conditions may not include a complete absence of application of the principle of limited restoration, because then the principle is not applied at all. Yet, any set of conditions under which the principle is applied would be sufficient to meet U.S. obligations under the Convention.

Hence, when the United States adopted a minimalist approach upon joining the Convention by failing to provide *any* retroactive protection, H.R. Rep. No. 100-609, p. 52 (1988), it pushed the boundaries of Article 18(3) too far. The current implementation of Article 18, however, does much more than is required to comply with Article 18 in protecting copyright holders and thus in reducing the protection of reliance parties. It is a proverbial transition from one extreme to another.

Nearly concurrently with Karp's study, former WIPO Director General Arpad Bogsch published his views on Article 18, during the debates on the United States accession to the Berne Convention. Arpad Bogsch, *WIPO Views of Article 18*, 43 J. COPYR. SOC. 181 (1995). In a letter to the Commissioner of Patents

and Trademarks, Bogsch noted, in agreement with aforementioned commentary, that the "principle" referred to Article 18(3) is the one described in Articles 18(1) and (2). *Id.* at 190. He also argued that while a country can impose conditions on the application of the principle, the principle must be applied in some way, thus negating the possibility of a complete absence of retroactivity. *Id.* Bogsch did argue that a comment in the negotiating history suggests that Article 18(3) only allows transitional measures. However, even if one accepts this postulate, Article 18(3) conditions are *by definition* transitional in that their purpose is to ensure the transition from non-Berne status to Berne status. Transitional does not necessarily mean short-lived or indeed temporary, though they often will be in practice because reliance parties may stop using certain works over time. But that is then their decision. Certainly, the Convention does not impose any specific time limit here, unlike in Article 13(2). Indeed, Bogsch quoted a diplomatic conference record showing that a proposal that would have limited the power of a country joining the Berne Union to decide within two years whether to impose conditions was *rejected*. *Id.* at 191. There is simply no authority to support the conclusion that any similar mandate that transitional measures be short-lived or limited to two years was ever agreed to by member states.[15]

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[15] Bogsch's letter refers to a "quite general agreement" that measures taken under Article 18(3) should not be applied for a period of more than two years, but the only precedent he cites is in Article 18(2), not Article 18(3). Under the interpretive canon *expressio unius est exclusio alterius*, the explicit reference to a time limitation in Article 13(2) actually works against the

Finally, this view that Berne members have a very limited obligation under Article 18 seems to be shared by most other senior scholars. Silke von Lewinski (Max Planck Institute, Munich, Germany) states in her recent book that "countries have some leeway in determining the conditions of application [of Article 18]. However, they must not go as far as entirely to deny the application of Article 18(1) and (2) of the Berne Convention." Silke von Lewinski, INTERNATIONAL COPYRIGHT LAW AND POLICY (2008) at 184. In the same vein, Paul Goldstein (Stanford University) in his newly-released edition of his well-known book co-authored with P. Bernt Hugenholtz (University of Amsterdam), writes: "Article 18(3) of the Berne Convention gives member countries *considerable leeway to meliorate the prejudice suffered* by users when a work they correctly believed was in the public domain is restored to copyright." Paul Goldstein and P. Bernt Hugenholtz, INTERNATIONAL COPYRIGHT 2d (2010) at 295 (emphasis added).

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point made by Bogsch: if Convention negotiators specifically included a two-year period in Article 18(2), it is reasonable to assume that they could have included one in Article 18(3), but chose not to. And, as previously mentioned, this is in fact what history bears out as negotiators considered and expressly rejected a proposal to enshrine a two-year window in Article 18(3).

IV. THE TRIPS AGREEMENT DID NOT ALTER MEMBER STATES' OBLIGATIONS UNDER THE BERNE CONVENTION AND ANY TRADE RETALIATION AGAINST THE UNITED STATES IS UNLIKELY

There is no doubt that copyright law supports a major export sector of the U.S. economy and that international copyright relations matter. It is similarly clear that the Berne Convention and the World Trade Organization Agreement (WTO) on Trade-related Aspects of Intellectual Property Rights (Agreement on Trade-Related Aspects of Intellectual Property Rights, Apr. 15, 1994, Marrakesh Agreement Establishing the World Trade Organization, Annex 1C, 1869 U.N.T.S. 299; 33 I.L.M. 1197 (1994) [hereinafter TRIPS Agreement]) are important in this context. Furthermore, it seems reasonable to argue that, wherever possible, an interpretation of U.S. law that conforms to treaties ratified by the U.S. Senate is preferable (*see Murray v. The Charming Betsey*, 6 U.S. (2 Cranch) 64 (1804)). This does not imply, however, that where those international instruments leave parties ample flexibility in implementing its obligations, they should be interpreted as giving strict directions.

As noted earlier, Article 18(3) provides that the principles stated in Articles 18(1) and 18(2) "shall be subject to any provisions contained in special conventions . . . concluded between countries of the Union." The TRIPS Agreement could be considered a "special convention" under Article 18(3) if it restricted the United States' ability to determine appropriate conditions of retroactive protection. But it does not.

That Agreement provides that "copyright obligations with respect to existing works shall be solely determined under Article 18 of the Berne Convention (1971)." *Id.* at Article 70.2. The TRIPS Agreement also incorporated Article 18 of the Berne Convention by reference. *Id.* at Article 9.2. As such, the TRIPS Agreement does not modify the obligations contained in Article 18.

It could have, however. As already noted, the United States obtained a significant concession not to have moral rights enforceable in the WTO and this may be considered a special agreement under Article 18(3).[16] Those exceptions and special conventions must be negotiated. Though the TRIPS Agreement renders the Berne Convention subject to the dispute settlement mechanism of the WTO, it is a long-standing principle that WTO Agreements should not be interpreted to include concessions not explicitly bargained for.[17]

Without a special agreement in place to modify Article 18, we must thus interpret that Article as it stands. This approach leads to the recognition of the flexibilities contained in Article 18(3). In interpreting the Berne Convention provisions incorporated into the

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[16] See the text accompanying notes 4 and 5 *supra*.

[17] For example, in *Brazil - Export Financing Programme for Aircraft*, Case No. WT/DS46 (April 14, 1999), in discussing an exception invoked by Brazil, the panel noted: "nothing indicates that the failure to remove this clause was something that developing countries bargained for" (n.140). By contrast, in this case, the failure to remove the exception was clearly intended.

TRIPS Agreement, dispute-settlement panels have referred to the negotiating history of the Convention.[18] Consequently, failed attempts during the negotiations to cabin Article 18 by limiting measures to a two-year window and, as happened at the Paris Conference of 1896, to delete the reference to available measures,[19] taken together with the absence of any statement restricting the scope of Article 18(3) in the Convention records suggest that a future WTO panel is unlikely to read significant restrictions into that provision.

This flexible interpretation is consonant with TRIPS. The WTO notes in its "Introduction to TRIPS" that WTO Members "issued a special Declaration at the Doha Ministerial Conference in November 2001. They agreed that the TRIPS Agreement does not and should not prevent members from taking measures to protect public health. *They underscored countries' ability to use the flexibilities that are built into the TRIPS Agreement.*"[20] This is reflected in several provisions of the Agreement, including Article 1.1, which provides in part that "Members shall be free to determine the appropriate method of implementing the provisions of this Agreement within their own legal system and

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[18] *See, e.g., United States - Section 110(5) of the U.S. Copyright Act*, Case No. WT/DS160 (June 15, 2000), at §§6.45—6.47.

[19] That is, its equivalent provision at the time, namely Paragraph 4 of the Final Protocol of 1886.

[20] http://www.wto.org/ english/ thewto_e/ whatis_e/ tif_e/ agrm7_e.htm (emphasis added).

practice."[21] Other examples include Articles 13, 26.2 and 30 which allow Members to provide unspecified exceptions in their national laws to copyright, design and patent rights, respectively.

The assertion by the United States and *amici* that a violation of TRIPS would immediately or necessarily entail dire consequences in the form of trade-based retaliation is not verified empirically. The United States has lost a number of disputes at the WTO, including two which found U.S. law in violation of TRIPS.[22] The panel reports date back to 2000 and 2002 and neither one has been implemented by the United States. Yet, no trade-based sanctions have been applied by the European Union, which won both cases.[23]

In fact, since the inception of the WTO on January 1, 1995, the instances of actual trade-based retaliation against *any* country for any WTO violation have been exceedingly rare. The Dispute-Settlement

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[21] TRIPS Agreement, Article 1.1 (1994).

[22] *United States - Section 110(5) of the U.S. Copyright Act*, note 13 *supra*, and *United States of America — Section 211 Omnibus Appropriations Act of 1998*, Case No. WT/DS176 (Jan. 2, 2002).

[23] In the second case, the E.U. only won on one point, namely that ¶¶ 211(a)(2) and (b) of the Omnibus Appropriations Act of 1998 violate the national treatment and most-favored nation obligations under the TRIPS Agreement. In the first case, the music licensing ("homestyle") exemption contained in the U.S. Copyright Act (17 U.S.C. 110(5)(b)) was found to be in violation of TRIPS.

Understanding (DSU), which governs the WTO dispute-settlement process, makes it clear that other means of solving disputes are preferable. A dispute may lead more often to a political outcome. *See* Understanding on Rules and Procedures Governing the Settlement of Disputes, Ann. 2 to the WTO Agreement, in Final Act Embodying the Results of the Uruguay Round of Multilateral Trade Negotiations (Apr 15, 1994), Art. 3.7, 33 I.L.M. 1152 (1994), which provides in part that (a) the aim of the dispute settlement mechanism is to secure a positive solution to a dispute; (b) a solution mutually acceptable to the parties to a dispute is to be preferred; and (c) retaliation is a "last resort."

It is essential to note also that WTO Members may not decide to treat United States works less favorably than those of their own nationals (which would violate the national treatment principle embedded in Article of the TRIPS Agreement) or less favorably than those of other WTO Members, which would violate the most-favored-nation clause in Article 4 of the TRIPS Agreement. Put differently, a country must treat public domain works (and the retroactive protection of same) in a non-discriminatory fashion. This does not apply to the Russian Federation, which is not yet a WTO Member. The Russian Federation has been negotiating its accession for several years and is unlikely to adopt a blatantly non-WTO compatible measure on the eve of its accession.[24]

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[24] *See* Robert Coalson, *Russia's 17-Year Bid To Join The WTO Faces One Last Hurdle*, RADIO FREE EUROPE, May 9, 2011

In sum, while a TRIPS violation might lead to dispute-settlement proceedings at the WTO – which in turn might lead to trade-based retaliation – this possibility is remote. More importantly, as long as there is some degree of retroactive protection of public domain works, the principle contained in Articles 18(1) and (2) of the Berne Convention may be said to be applied and thus no TRIPS violation would be found.

CONCLUSION

Applicable international norms contained in the Berne Convention and the TRIPS Agreement provide that, absent a special convention, which the United States could have tried to negotiate as it did for moral rights, a work in the public domain should be protected anew — that is, removed from the public domain and placed (back) in the exclusive domain of the foreign copyright holder(s) — *only* in the specific circumstance where that work both remains protected in its country of origin *and* is not protected in the country where protection is claimed for a reason *other* than the expiration of a term of protection previously granted (*e.g.*, for failure to comply with a registration requirement). The application if this principle is subject to a very significant degree of flexibility in part due to the need to protect the interests of reliance parties. At international law, there is no requirement that such protection be limited in time. The United States has the ability to implement its

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(http://www.rferl.org/ content/ russia_wto_bid_faces last_hurdle/24095878.html).

obligations under the Berne Convention and the TRIPS Agreement in a way that protects both the legitimate interests of copyright holders and those of reliance parties, and in accordance with applicable constitutional law.

June 17, 2011

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AMICUS CURIAE BRIEF

No. 10-545

In the Supreme Court of the United States

LAWRENCE GOLAN, ET AL.

Petitioners

v.

ERIC H. HOLDER, JR., ATTORNEY GENERAL, ET AL.

Respondents

ON WRIT OF CERTIORARI
TO THE UNITED STATES COURT OF APPEALS
FOR THE TENTH CIRCUIT

BRIEF OF H. TOMAS GOMEZ-AROSTEGUI AND TYLER T. OCHOA AS *AMICI CURIAE* IN SUPPORT OF PETITIONERS

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TABLE OF CONTENTS

INTEREST OF *AMICI CURIAE* 1

SUMMARY OF ARGUMENT 1

ARGUMENT 2

I. THE DOCTRINAL RELEVANCE OF ANGLO-AMERICAN COPYRIGHT LAW CIRCA 1790 2

II. THE BRITISH EXPERIENCE 5

A. English Antecedents 5

B. The Statute of Anne 11

III. COPYRIGHT IN EARLY AMERICA 16

A. State Copyright Laws 16

B. The Constitutional Convention and Ratification Debates 19

C. The Copyright Act of 1790 24

D. The Copyright Act of 1831 29

E. Wheaton v. Peters 32

CONCLUSION 39

TABLE OF AUTHORITIES

Cases

Brewster v. *Newcombe*, C5/148/61 (Ch. 1697).....9

Burrow-Giles Lithographic Co. v. *Sarony*, 111 U.S. 53 (1884) 3

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Fred Fisher Music Co. v. *M. Witmark & Sons*, 318 U.S. 643 (1943) 18, 24

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Pawlett v. *Smith*, C10/218/34 (Ch. 1685) 8

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Rogers v. *Hills*, C5/342/64 (Ch. 1708) 9

Sosa v. *Alvarez-Machain*, 542 U.S. 692 (2004) 17

Tonson v. *Hills*, C8/623/33 (Ch. 1706) 9

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Wellington v. *Levi*, C33/312, f. 205^{r-v}, C33/314, ff. 54^{v}–55^{r} (Ch. 1709) 10

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Wheaton v. *Peters*, 33 U.S. (8 Pet.) 591 (1834) .4, 33, 34, 35

Constitutional Provisions

U.S. Const. art. 1, § 8, cl. 8 20

Statutes

17 U.S.C. § 301(c) 36

Act of Apr. 29, 1786, (N.Y.) 18

Act of Dec. 1783 (R.I.) 18

Act of Feb. 3, 1786 (Ga.) 18

Act of Jan. 29, 1783 (Conn.) 18

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INTEREST OF *AMICI CURIAE*[1]

This brief *amicus curiae* is submitted in support of petitioners by H. Tomas Gomez-Arostegui and Tyler T. Ochoa pursuant to Rule 37 of the Rules of this Court.

Amici are scholars who have studied the history and development of copyright laws in Great Britain and the United States. *Amici* are interested in assuring that Congressional enactments, including Section 514 of the Uruguay Round Agreements Act (URAA), are consistent with, rather than in conflict with, that history. To that end, *amici* present a summary of their understanding of the relevant history to aid the Court in its deliberations.

SUMMARY OF ARGUMENT

This case concerns Section 514 of the Uruguay Round Agreements Act of 1994, Pub. L. No. 103-465, 108 Stat. 4976. That section restored copyright protection to certain foreign works that had entered the public domain. The questions presented are whether Section 514 violates the Copyright Clause or the First Amendment of the Constitution. Both inquiries depend, in large part, on the history of Anglo-American copyright law, particularly as it

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1. No counsel for a party authored this brief in whole or in part, and no person other than *amici* made a monetary contribution to the preparation or submission of this brief. The parties have consented to the filing of this brief by submitting blanket consents to the Court.

existed just before the enactment of the Copyright Act of 1790. See Act of May 31, 1790, 1 Stat. 124.

The chief issue this brief addresses is whether, in enacting the 1790 Act, the First Congress restored works from the public domain, thereby creating a First Congress precedent for the URAA. The parties and the lower courts disagree on this point. This brief discusses the historical record and concludes that the record does *not* support the view that the First Congress believed it was removing works from the public domain. If anything, it is more likely that members of the First Congress believed that they were limiting and preempting preexisting copyrights based on the common law.

ARGUMENT

I. The Doctrinal Relevance of Anglo-American Copyright Law circa 1790

This Court has stated that when it evaluates whether a statute violates the Constitution, it will be predisposed to find the statute constitutional if the First Congress, which met from 1789 to 1791, enacted similar legislation. *Myers* v. *United States*, 272 U.S. 52, 175 (1926).[2] Many members of the First Congress were delegates to the Constitutional Convention, and it was the First Congress that proposed the Bill of Rights. Accordingly, this Court has

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2. Of course, not every statute enacted by the First Congress was constitutional. See *Marbury* v. *Madison*, 5 U.S. (1 Cranch) 137 (1803) (holding a portion of § 13 of the Judiciary Act of 1789 was unconstitutional).

spoken of the importance of examining the Copyright Act of 1790 when analyzing constitutional challenges to our copyright laws. *Eldred* v. *Ashcroft*, 537 U.S. 186, 213, 219 (2003); *Burrow-Giles Lithographic Co.* v. *Sarony*, 111 U.S. 53, 57 (1884).

Following that lead, the Tenth Circuit and the D.C. Circuit consulted the 1790 Act in deciding the questions presented here. *Golan* v. *Gonzales*, 501 F.3d 1179, 1190–91 (CA10 2007) (Copyright Clause and First Amendment) (*Golan II*); *Luck's Music Library, Inc.* v. *Gonzales*, 407 F.3d 1262, 1265 (CADC 2005) (Copyright Clause). Both courts queried whether the First Congress had granted copyright protection to works already in the public domain, thereby creating a precedent for restoration under the URAA. *Golan II*, 501 F.3d at 1190–91; *Luck's Music*, 407 F.3d at 1265. Specifically, they investigated whether previously published works were protected before the 1790 Act, particularly as a matter of state common law.[3]

The two courts reached different conclusions. The Tenth Circuit thought the historical record was too barren to support any definitive conclusions, despite the fact the petitioners had "argued convincingly that most, if not all, . . . works were covered by a *state* common-law copyright and therefore not in the public domain." *Golan II*, 501 F.3d at 1191. The court thus refused to conclude that the First

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3. Both parties agree that, before 1790, state common law protected works that were composed but unpublished.

Congress "thought it was removing works from the public domain" when it enacted the 1790 Act. *Id.*

The D.C. Circuit was less circumspect. It acknowledged that the "historical evidence on this point [was] contested." *Luck's Music*, 407 F.3d at 1265. But it nevertheless held that the Court's decision in *Wheaton* v. *Peters*, 33 U.S. (8 Pet.) 591 (1834), had already settled the issue. There, the Court held that a common-law right in published works had never existed as a matter of federal or Pennsylvania law. *Id.* at 659–661. By implication, the D.C. Circuit concluded that the First Congress must have known it was removing works from the public domain. *Luck's Music*, 407 F.3d at 1265.

This *amicus* brief will demonstrate that the Tenth Circuit's conclusion is the most sensible in light of the historical record. Although there are no American cases before 1790 recognizing a common-law right in published works, evidence indicates that many contemporaries believed that published works were protected by state common law, largely on the basis of arguments first espoused in English case law. Nevertheless, the historical record is fragmentary. As a consequence, the only definitive conclusion that one can draw is that the history does *not* demonstrate that the First Congress believed it was removing works from the public domain. If anything, the history suggests that the 1790 Act limited and harmonized protections that existed prior to its enactment. In short, there is no First Congress precedent for the URAA.

The relevant history begins with the British

experience with common-law copyright. Early American copyright law was greatly influenced by the law of Great Britain, and the very issue presented here—whether the first comprehensive copyright statutes removed works from the public domain—was answered in Great Britain in 1774. Additionally, new evidence in this area undercuts a key premise of this Court's holding in *Wheaton*. We then examine the history of U.S. copyright law.

II. The British Experience

The Statute of Anne, 1710, 8 Anne, c. 19, was the first modern copyright statute. It was not the first system to regulate copyrights, however, nor was it the first statute to do so. Before 1710, there were several sources of exclusive printing rights. Notably, recent research has uncovered numerous lawsuits that were filed before 1710 in equity on the basis of a purported copyright at common law.

A. English Antecedents

The most established exclusive right to print was a royal privilege, which the Crown granted by letters patent or royal license to a publisher, printer, or author. Privileges covered single works or a whole class of works. Most grants were for a term of years or the life of the grantee, but due to renewals and reversions, many privileges were

effectively perpetual.[4] The earliest record we have of an exclusive printing privilege is from circa 1512.

A second exclusive right stemmed from a royal charter granted in 1557 to the Company of Stationers, the guild governing printers, booksellers, and others in the book trade. Internal customs of the Company established a system whereby a copyright would inure to a member who entered a book's title in the Company's register book, so long as that book was not already protected by a privilege or prior registration. Generally speaking, only Company members could register works, but members could register works in trust for non-members and authors.[5] Copyrights under this system were perpetual; that is to say, they never entered the public domain.

The registration system persisted under the auspices of several Star Chamber decrees from 1566 to 1641; parliamentary ordinances and statutes during the Civil War and Interregnum from 1643 to 1660; and then under the Printing Act of 1662 after the Restoration.[6] The Printing Act lapsed between March 1679 and June 1685 and

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4. H. Tomas Gomez-Arostegui, *The Untold Story of the First Copyright Suit under the Statute of Anne in 1710*, 25 Berkeley Tech. L.J. 1247, 1250–56 (2010).

5. *Id.* at 1254 nn.19 & 25.

6. The government supported the registration system because it better enabled censorship. Before publication, all books printed in England had to be licensed by the censorship authorities and registered with the Company.

then expired permanently in May 1695.[7] These two lapses of protection (1679–1685 and 1695–1710) constituted statutory copyright interregnums—a time when copyright was not supported by statute.

While supported by the laws noted above, members usually enforced their copyrights in the specialized Court of Assistants of the Company of Stationers. The Assistants served as the Company's governing body and as a forum to mediate and arbitrate disputes among members. The court was also empowered to discover and seize illicit books and presses, which largely obviated the need for litigants to seek aid in the principal courts.[8]

But the statutory lapses robbed the Assistants of much of their power. So as early as 1681, copyright holders began filing copyright-infringement complaints in the Court of Chancery, seeking injunctive relief. Not supported by any statutory authority or privilege, these equity suits were typically brought under a purported copyright at common law.[9]

At least six such suits were filed from 1681 to 1685, during the first lapse of the Printing Act. The cases are unreported, but their records are located

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7. H. Tomas Gomez-Arostegui, *What History Teaches Us About Copyright Injunctions and the Inadequate-Remedy-at-Law Requirement*, 81 S. Cal. L. Rev. 1197, 1216–18 (2008).

8. *Id.* at 1256–62.

9. Gomez-Arostegui, *supra* note 4, at 1255–56.

in the National Archives of the United Kingdom.[10] None of these suits ended in a final decree—which was not unusual in copyright suits—but they suggest that copyright holders believed they held a copyright by custom or common law, and that at least some equity judges seemed inclined to agree.

In one case, for example, the Lord Chancellor granted an interlocutory injunction and ordered the defendants to deliver the allegedly infringing work to the author of the plaintiff's book, so the author could compare them and certify whether they were the same or not.[11] In another case, a plaintiff sued several booksellers for selling pirated books, seeking injunctive relief and discovery to support an action at law for damages. The court entered an interlocutory injunction,[12] and the defendants demurred on several grounds. Over the course of several hearings, the Lord Chancellor denied the demurrer and ordered the defendants to fully

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10. See *Chiswell* v. *Lee*, C10/209/24 (Ch. 1681); *Pawlett* v. *Lee*, C10/202/96 (Ch. 1681); *Herringman* v. *Clerke*, C8/301/33 (Ch. 1681/2); *Pawlett* v. *Lee*, C10/211/60 (Ch. 1683/4); *Pawlett* v. *Lee*, C10/212/68 (Ch. 1683/4); *Pawlett* v. *Smith*, C10/218/34 (Ch. 1685).

    References to C5, C6, C7, C8, and C10 represent Chancery pleadings in the National Archives. References to C33 represent orders and decrees from the Chancery's register books. All C33 orders referred to herein are imaged and transcribed at www.oldcopyrightcases.org.

11. *Chiswell* v. *Lee*, *sub nom. Chiswell* v. *Braddill*, C33/257, f. 100^{r} (Ch. 1681).

12. *Herringman* v. *Clerke*, C33/257, f. 216^{v} (Ch. 1681/2).

answer the plaintiff's complaint, with the exception that they would not have to identify their customers.[13]

Copyright holders returned again to the principal courts after the Printing Act expired in 1695. At least eleven lawsuits, all unreported, were filed in the Court of Chancery or the Court of Exchequer between 1695 and the enactment of the Statute of Anne.[14] Two of the cases bear recounting in some detail because the defendants challenged the existence of common-law copyrights, but the Lord Chancellor appears to have rejected the defense.

In the first suit, filed in February 1709, the plaintiff claimed to own, by assignment, the copyright in a book first published in 1656. Lord Chancellor Cowper granted a temporary restraining order, summarizing the claim as follows:

> [T]he plaintiff [alleges that he] is by purchase for a valuable consideracon possessed of and (as he is advised) legally intitled unto the originall Copy and Copy Right or the sole propriety of

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13. *Id.* at C33/259, ff. 427^{r}, 278^{v}–279^{r} (Ch. 1682–83); see also Gomez-Arostegui, *supra* note 4, at 1308 n.326.

14. *E.g.*, *Brewster* v. *Newcombe*, C5/148/61 (Ch. 1697); *Ponder* v. *Braddyll*, C6/465/127 (Ch. 1697); *Pawlett* v. *Minshall*, C7/272/53 (Ch. 1701); *Keble* v. *Parker*, E112/836/804 (Exch. 1704/5); *Keble* v. *Onley*, E112/836/802 (Exch. 1705); *Tonson* v. *Hills*, C8/623/33 (Ch. 1706); *Rogers* v. *Hills*, C5/342/64 (Ch. 1708).

> the Booke called or Intitled Claudius Maugers ffrench Gramar . . . .[15]

When the defendant answered, he argued that the plaintiff could not have a copyright at common law, stating that a work could be protected by letters patent only. The case came before the Lord Chancellor again, on whether to convert the TRO into a preliminary injunction. Notably, the court ignored the defendant's argument and instead referred the case to a master to compare the books to determine if they were "one and the same Booke and whether they matterially differr or not."[16] The defendant seems to have conceded soon afterward.

In the second suit, also filed in 1709, Lord Chancellor Cowper was again asked to rule on whether a copyright in published works existed as a matter of common law, this time on a demurrer.[17] Although the demurrer was filed in January 1710, the Lord Chancellor did not hear it until May 1710, one month after the Statute of Anne was enacted. The defendant demurred at the hearing on three grounds: (1) he printed the books before the statute, which he was free to do because the plaintiff could have no copyright at common law; (2) even if the plaintiff did have such a right, the Chancery should not enforce a discovery to make

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15. *Wellington* v. *Levi*, C33/312, f. 205^{r-v} (Ch. 1708/9).
16. *Id.* at C33/314, ff. 54^{v}–55^{r} (Ch. 1709).
17. *Horne* v. *Baker*, C5/290/70 (Ch. 1709); see also Gomez-Arostegui, *supra* note 4, at 1299–1309 (detailed account).

evidence; and (3) the Chancery had no power to award a disgorgement of the defendant's profits.[18]

The Lord Chancellor granted the demurrer, but a surviving manuscript report of the case indicates it was granted only on grounds (2) and (3).[19] The report also indicates that, in so ruling, the court believed there was a common-law copyright in published works predating the Statute of Anne:

> I am not willing to carry this matter so far, especially now the late act of parliament [the Statute of Anne] has given *another* remedy in respect of the property in Coppies of Books.[20]

Had the court believed the statute created a new right, one that had previously never existed before, the Lord Chancellor surely would have said something very different.

B. The Statute of Anne

Though the Stationers continued to comport themselves after 1695 as if their works remained protected in perpetuity by the common law, they also agitated for the previous laws to be revived and, failing in that task, lobbied for a new

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18. Gomez-Arostegui, *supra* note 4, at 1306–07.

19. *Id.* at 1307–08.

20. *Id.* at 1307 (emphasis added), quoting *Horne* v. *Baker*, Lincoln's Inn Misc. MS 10. p. 1 (Ch. 1710).

copyright statute.[21] In their view, they had common-law copyrights, but the legal remedy of damages was inadequate. They thus asked that the new statute revive the remedies they had under the Printing Act: fixed penalties and the confiscation of illicit books. Under their proposal, copyrights were also to remain perpetual.[22]

Parliament was sympathetic to some of the booksellers' claims, and the Statute of Anne, which came into effect on April 10, 1710, included the remedies the Stationers had sought. Parliament, however, appeared to rebuff the requested perpetuity. Although it created a new statutory copyright for books first published after April 10, the statutory term was strictly limited to 14 years from first publication, with a possible reversion and additional term to the author of another 14 years if she was still living at the expiration of the first term.[23] A legacy clause protected previously published works for a period of only 21 years from the effective date of the statute.[24]

Unfortunately, the Statute of Anne was hastily and poorly drafted, and thus left many questions unanswered. Chief among them was whether, by

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21. Ronan Deazley, *On the Origin of the Right to Copy* 1–37 (2004).

22. Mark Rose, *Authors and Owners* 42–43 (1993).

23. Statute, 1710, 8 Anne, c. 19, § 1.

24. *Id.*

an ambiguous savings clause in the statute, Parliament meant to preserve common-law copyrights.[25]

C. Statutory Copyright Prevails

After the legacy clause expired in 1731, and older works presumably began entering the public domain, the booksellers began, once again, to file suits based on a copyright at common law. As before 1710, they filed chiefly in the Court of Chancery, seeking injunctive relief and, in lieu of an ordinary damages remedy at law, a disgorgement of the infringer's profits.[26] These lawsuits nearly always ended after the court granted an interlocutory injunction, as the injunction was usually enough to satisfy the plaintiffs.

It was not until 1769 that a court reached a final decision on common-law copyrights. In *Millar* v. *Taylor*,[27] the King's Bench held, 3 to 1, that authors and their assigns had a perpetual common-law

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25. *Id.* § 9 ("[N]othing in this Act contained shall extend or be construed to extend either to prejudice or confirme any right that . . . any person or persons have or claime to have to the printing or reprinting any booke or copy already printed or hereafter to be printed.").

26. In 1737, the Chancery began awarding plaintiffs a disgorgement of the defendant's profits. The remedy could be awarded only if the court had also entered a final injunction. These twin remedies became the norm in copyright suits. H. Tomas Gomez-Arostegui, *Prospective Compensation in Lieu of a Final Injunction in Patent and Copyright Cases*, 78 Fordham L. Rev. 1661, 1702–03 (2010).

27. 4 Burr. 2303, 98 Eng. Rep. 201 (K.B. 1769).

copyright in published works. According to the court, the right predated the Statute of Anne, and the savings clause of the statute preserved the right. The court based its ruling in large part on the equity cases that had been filed after 1731 and based on a purported common-law right.[28]

The House of Lords revisited the issue a few years later in *Donaldson* v. *Becket*.[29] The case began in the Court of Chancery, where the Lord Chancellor ruled in favor of a common-law right based on *Millar*. On appeal, the Lords rejected the idea of a perpetual copyright and held that copyright in published works in Great Britain was to be governed by statute only. Unfortunately, although the result in *Donaldson* was clear, the reasoning was not, largely because of the way Parliamentary cases were decided and reported.

At the time, the Lords decided appeals by a vote of the peers, lawyers and laymen alike.[30] Thus, the Lords often summoned the twelve common-law judges from the courts of England to advise how to rule on a matter. The Lords could accept or reject the recommendations of the judges, but rejections were exceedingly rare.

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28. *Id.* at 2323, 2352–53, 2399–2400, 98 Eng. Rep. 212, 227–58, 253. The court was unaware of the numerous equity cases filed before 1710 and discussed *supra* pp. 7–11.

29. 4 Burr. 2408, 98 Eng. Rep. 257, 2 Bro. PC 129, 1 Eng. Rep. 837, 17 Cobb. Parl. Hist. 953 (H.L. 1774).

30. Rose, *supra* note 22, at 97.

Eleven of the judges spoke in *Donaldson*. The official tally of their views, which was reported in the Journals of the House of Lords and in James Burrow's published report of the case, indicates that the judges voted 7 to 4 that a common-law right in published works did exist before the Statute of Anne, but 6 to 5 that the statute preempted it.[31] After debate, the Lords voted 21 to 11 to reverse the decree of the Chancery.[32]

Most of the Lords did not state their reasons, thus leaving unexplained whether they had voted to reverse because there *never was* a copyright at common law in published works or because such a right *no longer existed* due to statutory preemption. The conventional wisdom, however, was that the Lords had adopted the latter view, following the recommendation of the majority of the judges, as reported by Burrow.[33] This remains the orthodox, and most widely accepted, reading of *Donaldson*.[34]

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31. 34 H.L. Jour. 23–24, 26–30, 32 (1774); accord *Donaldson*, 4 Burr. at 2417, 98 Eng. Rep. at 262.

32. *Donaldson*, 17 Cobb. Parl. Hist. at 1003.

33. *E.g.*, 1 Thomas W. Williams, *An Abridgment of Cases Argued and Determined in the Courts of Law* 117–19 (London 1798); Henry Lemoine, *Typographical Antiquities* 117 (London 1797).

34. Some historians now believe that one of the judge's votes was incorrectly recorded, and that the judges actually voted 6 to 5 *against* preemption. See Deazley, *supra* note 21, at 205; Rose, *supra* note 22, at 97–99; Howard B. Abrams, *The Historic Foundation of American Copyright Law: Exploding the Myth of Common Law Copyright*, 29

Most relevant for our purposes, the Statute of Anne did not restore copyright protection to works that were previously in the public domain. Literary works were protected before the statute as a matter of common law. The purpose of the statute was, instead, to limit the system of perpetual copyrights that predated it and, in effect, to create a public domain of works.

III. Copyright in Early America

The history of copyright in the United States bears many similarities to the history of copyright in England prior to the Revolution. In America, as in England, the existence of a perpetual common-law copyright after publication was a matter of vigorous debate; and in America, as in England, the term of copyright was ultimately limited by statute in order to create a public domain.

A. State Copyright Laws

In March 1783, in response to several authors' petitions, the Continental Congress appointed a committee "to consider the most proper means of

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Wayne L. Rev. 1119, 1166–67 (1983); John F. Whicher, *The Ghost of* Donaldson v. Beckett*: An Inquiry into the Constitutional Distribution of Powers over the Law of Literary Property in the United States*, 9 Bull. Copyr. Soc'y USA 102, 130 (1961). These scholars all agree that this purported error allowed advocates of common-law copyright to claim that the peers had simply followed the majority of the judges—a fact these scholars allege was not true. These scholars disagree, however, on what other conclusions can be drawn from the revised vote count.

cherishing genius and useful arts through the United States by securing to the authors or publishers of new books their property in such works."[35] In April, the committee reported that it was "persuaded that nothing is more properly a man's own than the fruit of his study, and that the protection and security of literary property would greatly tend to encourage genius, to promote useful discoveries and to the general extension of arts and commerce."[36] As a result, on May 2, 1783, the Continental Congress passed a resolution encouraging the states

> to secure to the authors or publishers of any new books not hitherto printed . . . the copy right of such books for a certain time not less than fourteen years from the first publication; and to secure to the said authors, if they shall survive the term first mentioned, . . . the copy right of such books for another term of time not less than fourteen years. . . .[37]

Cf. *Sosa* v. *Alvarez-Machain*, 542 U.S. 692, 716–17, 721–22 (2004) (noting that a similar Congressional

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35. 24 *Journals of the Continental Congress 1774–1789*, at 180 (1922).

36. *Id.* at 326.

37. Resolution of May 2, 1783, *Copyright Enactments of the United States 1783–1906*, at 11 (2d ed. 1906).

resolution in 1781, relating to the law of nations, presupposed preexisting common-law claims).

Three states had already enacted copyright statutes earlier that year; and within three years all of the remaining states except Delaware had followed suit.[38] "These statutes differed from each other in regard to many of the details, but they were all miniature versions of the Statute of Anne."[39] See *Fred Fisher Music Co.* v. *M. Witmark & Sons*, 318 U.S. 643, 648–50 (1943). Interestingly, the preambles of seven of the twelve statutes stated that copyright was a natural right of the author;[40] and three of the state statutes included a savings clause, modeled on the Statute of Anne, which specifically referred to the common law.[41]

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38. *Id.* at 11–31.

39. Oren Bracha, *The Adventures of the Statute of Anne in a Land of Unlimited Possibilities: The Life of a Legal Transplant*, 25 Berkeley Tech. L.J. 1427, 1444 (2010).

40. See Act of Jan. 29, 1783 (Conn.); Act of Mar. 17, 1783 (Mass.); Act of Nov. 7, 1783 (N.H.); Act of Dec. 1783 (R.I.); Act of Nov. 18, 1785 (N.C.); Act of Feb. 3, 1786 (Ga.); Act of Apr. 29, 1786, (N.Y.). See respectively *Copyright Enactments*, *supra* note 37, at 11–13, 14–15, 18–20, 25–31.

41. See Act of Jan. 29, 1783 (Conn.); Act of Feb. 3, 1786, § 4 (Ga.); Act of Apr. 29, 1786, § 4 (N.Y.). See respectively *Copyright Enactments*, *supra* note 37, at 11–13, 27–31.

Connecticut's savings clause read: "nothing in this act shall extend to affect, prejudice or confirm the rights which any person may have to the printing or publishing of any book, pamphlet, map or chart, at common law, in cases not mentioned in this act." *Id.* at 13.

B. The Constitutional Convention and Ratification Debates

At the Constitutional Convention of 1787, both James Madison of Virginia and Charles Pinckney of South Carolina submitted proposals to give Congress the power to grant federal copyrights. Madison's proposal read: "To secure to literary authors their copy rights for a limited time."[42] Pinckney's proposal read: "To secure to Authors exclusive rights for a certain time."[43] Pinckney also proposed that Congress be given the power "to grant patents for useful inventions."[44] These proposals were referred to the Committee on Detail. Later, provisions which had not been acted upon were referred to the Committee of Eleven (of which Madison was a member),[45] which drafted the

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42. James Madison, *Notes of Debates in the Federal Convention of 1787*, at 477 (1966) (Aug. 18, 1787).

43. *Id.* at 478.

44. *Id.* In the manuscript version of his notes, Madison wrote that he had made a similar proposal, "to secure to the inventors of useful machines and implements the benefits thereof for a limited time"; but when Madison edited his notes for publication, he pasted over the manuscript with an edited version that did not contain this proposal. See Edward C. Walterscheid, *To Promote the Progress of Useful Arts: American Patent Law and Administration, 1798-1836*, at 46–47 (1998). Recent scholarship suggests that Madison's original notes are more reliable. See Dotan Oliar, *The (Constitutional) Convention on IP: A New Reading*, 57 UCLA L. Rev. 421, 435–46 (2009).

45. Madison, *supra* note 42, at 569 (Aug. 31, 1787).

Patent and Copyright Clause as it exists today, and recommended its adoption.[46] The clause was unanimously approved by the delegates with no debate reported.[47] It reads: "The Congress shall have Power . . . [t]o promote the Progress of Science and useful Arts, by securing for limited Times to Authors and Inventors the exclusive Right to their respective Writings and Discoveries." U.S. Const. art. 1, § 8, cl. 8.

The language of the Clause is ambiguous when it speaks of "securing" exclusive rights. For the next 47 years, the meaning of this term would be debated, with proponents of the natural-right view arguing that "securing" meant the affirmation of preexisting common-law rights, and proponents of the utilitarian view arguing that "securing" meant nothing more than "to obtain" or "to provide."[48]

In the subsequent ratification debates, the Clause was rarely mentioned. The most significant reference came in *The Federalist* No. 43, authored by James Madison:

> The utility of this power will scarcely be questioned. The copyright of authors has been solemnly adjudged,

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46. *Id.* at 580 (Sept. 5, 1787).

47. *Id.* at 581 (Sept. 5, 1787).

48. Edward C. Walterscheid, *Understanding the Copyright Act of 1790: The Issue of Common-Law Copyright in America and the Modern Interpretation of the Copyright Power*, 53 J. Copyr. Soc'y USA 313, 324–32 (2006).

> in Great Britain, to be a right of common law. The right to useful inventions seems with equal reason to belong to the inventors. The public good fully coincides in both cases with the claims of individuals. The States cannot separately make effectual provision for either of the cases, and most of them have anticipated the decision of this point, by laws passed at the instance of Congress.[49]

In stating that copyright was a common-law right, Madison was simply echoing the conventional wisdom concerning the holding in *Donaldson*, as reported in both Burrow's report, see *supra* pp. 14–15, and in Blackstone's *Commentaries*.[50]

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49. *The Federalist No. 43*, at 267 (James Madison) (Henry Cabot Lodge ed., 1888).

50. The pertinent fourth volume of Burrow's reports was published in 1776, and citations to it are found in early Pennsylvania cases. See, *e.g.*, *Respublica* v. *Doan*, 1 U.S. (1 Dall.) 86, 90–91 (Pa. 1784); *Nathan* v. *Virginia*, 1 U.S. (1 Dall.) 77, 78 (Pa. C.P. 1781).

The seventh edition of Blackstone reported that "it was determined in the case of *Millar v. Taylor* . . . that an exclusive copyright in authors subsisted by the common law. But afterwards, in the case of *Donaldson v. Becket*, . . . it was held that no copyright subsists in authors, after the expiration of the several terms created by the statute of queen Anne." 2 William Blackstone, *Commentaries on the Laws of England* 407 n.*h* (Oxford, Clarendon Press 7th ed. 1775). Moreover, the first American edition of

Noah Webster, then editor of *American Magazine*, similarly affirmed the conventional wisdom:

> The rights of literary property have not yet been clearly ascertained and established in this country. . . . Most of the states however have passed laws, securing to authors their literary productions for a limitted time; and in those which have not, persons concerned will please to observe that, by a solemn adjudication in the courts of Westminster, it is determined that an action will lie at *common law* for publishing books . . . without the consent of the author or proprietor. This principle which is founded on common justice, will undoubtedly be admitted into American courts . . . .[51]

The stipulation in the Copyright Clause that patent and copyright protection be granted only "for limited Times," and only to "authors" and "inventors," appears to have been aimed at preventing the kinds of abuses (granting

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Blackstone reported only the decision in *Millar* v. *Taylor*, affirming the common-law right, and not the subsequent decision in *Donaldson*. 2 William Blackstone, *Commentaries on the Laws of England* 407 (Philadelphia, Robert Bell 1771).

51. Acknowledgements, *American Magazine* 130 (Feb. 1788) (emphasis in original).

monopolies on existing trades) that had prompted the Statute of Monopolies 150 years earlier.[52] There are additional reasons to believe that the Clause was intended to limit Congress' power. First, both Madison's and Pinckney's proposals were stated in plenary fashion; but the Committee of Eleven qualified them with the language of the preamble, "to promote the Progress of science and useful Arts."[53] Second, at the Convention both Madison and Pinckney were aligned with the nationalists who promoted a strong central government. The fact that their proposals were amended "by a body that was less centralist and more suspicious of the national government than Madison and Pinckney tends to suggest that the change was intended as a limitation on power."[54]

Thus, the Clause appears to have been designed not so much to prescribe a means by which Congress could promote the progress of science and useful arts, but rather to limit the duration and

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52. Tyler T. Ochoa & Mark Rose, *The Anti-Monopoly Origins of the Patent and Copyright Clause*, 49 J. Copyr. Soc'y USA 675, 691–94 (2002).

53. Dotan Oliar, *Making Sense of the Intellectual Property Clause: Promotion of Progress as a Limitation on Congress's Intellectual Property Power*, 94 Geo. L.J. 1771, 1810–11 (2006). This language appears to have originated in other proposals by Madison and Pinckney that were rejected by the Committee. *Id.* at 1805–10.

54. *Id.* at 1814.

purposes for which exclusive rights could be granted.

C. The Copyright Act of 1790

Congress first exercised its new power in 1790. The Copyright Act of 1790 offered copyright protection to domestic authors only, for "any map, chart, book or books already printed within these United States," for the term of 21 years, and for "any map, chart, book or books already made and composed, but not printed or published, or that shall hereafter be made and composed," for the term of 14 years, renewable once; but only upon compliance with conditions, including registration of the title of the work with the clerk of the local district court before publication, and publication of notice in a newspaper. See Act of May 31, 1790, 1 Stat. 124, ch. 15, § 1. Except for the addition of maps and charts, the language of the 1790 Act was copied almost verbatim from the Statute of Anne.[55] See *Fred Fisher Music Co.*, 318 U.S. at 650.

Whether members of the First Congress believed that they were removing previously published works from the public domain cannot be resolved definitively, both because different members of Congress likely had different views on the subject, and because of a dearth of conclusive evidence. Nevertheless, given the evidence that is available to us, it is likely that a majority of the First Congress did *not* believe that they were removing

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55. Bracha, *supra* note 39, at 1452–58.

works from the public domain. Instead, the likely purpose in enacting the 1790 Act was the same as the Statute of Anne: to limit rights that previously had been regarded as perpetual.

As noted above, there is significant circumstantial evidence that many of the Framers believed that a post-publication copyright was a right that was recognized at common law. First, the only mention of the Copyright Clause in *The Federalist* states flatly that "[t]he copy right of authors has been solemnly adjudged in Great Britain to be a right at Common Law." See *supra* p. 20. Second, the preambles of seven of the state copyright laws expressly refer to copyright as a natural right, and three of those laws contained a savings clause specifically referring to common-law copyright. See *supra* p. 18. Third, the 1790 Act offers "the sole right and liberty of printing, reprinting, publishing, and vending" to the authors of books "already printed within these United States . . . who hath or have not transferred to any other person the copyright of such," and to "any other person or persons . . . who hath or have purchased or legally acquired the copyright of any such" books. See Act of May 31, 1790, 1 Stat. 124, ch. 15, § 1. This language seems to implicitly recognize that an assignable common-law copyright already existed in previously published works.[56] Fourth, the conventional wisdom, both in England

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56. Walterscheid, *supra* note 48, at 332–40.

and America, was that the majority of the advisory judges in *Donaldson* v. *Becket* believed there was a common-law right of literary property that survived publication, but that the common-law right had been superseded in England by the Statute of Anne. See *supra* pp. 14–15 and 20. Since the Statute of Anne did not apply in the colonies, the common-law right may very well have been deemed still to exist here, unpreempted, before 1790.

Evidence that *Donaldson* was viewed in the states as recognizing and preempting, rather than rejecting, common-law rights can also be found in Edward Christian's *Notes to Blackstone's Commentaries*, first published in Boston in 1801, in which he wrote:

> Whether the productions of the mind could communicate a right of property or of exclusive enjoyment in reason and nature; and if such a moral right existed, whether it was recognized and supported by the common law of England; and whether the common law was intended to be restrained by the statute of queen Anne, are questions, upon which the learning and talents of the highest legal characters in this kingdom have been powerfully and zealously exerted.
>
> These questions were finally so determined that an author has no right at present beyond the limits fixed by the statute. But as that

> determination was contrary to the opinion of lord Mansfield [in *Millar* v. *Taylor*], the learned Commentator [Blackstone], and several other judges, every person may still be permitted to indulge his own opinion upon the propriety of it, without incurring the imputation of arrogance. . . .
>
> No less than eight [*sic*] of the twelve judges were of opinion that this was a right allowed and perpetuated by the common law of England; but six held, either that it did not exist [*sic*], or that the enjoyment of it was abridged by the statute of queen Anne, and that all remedy for the violation of it was taken away after the expiration of the terms specified in the act; and agreeable to that opinion was the final judgment of the lords.[57]

Although much of this evidence is circumstantial, at the very least it tends to show that there was no consensus at the time of the 1790 Act that Congress believed that it was removing works from the public domain.

There is also empirical evidence that only an extremely small number of works registered under the 1790 Act were works that were previously

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57. Edward Christian, *Notes to Blackstone's Commentaries*, Book II. 45–46 (1801).

published, and therefore supposedly resurrected from the public domain. The surviving registration records from 1790 through 1800 have been compiled and published by the Library of Congress.[58] According to one scholar, of the estimated 20,829 books published during this period, registration records for only 684 books survive;[59] and of those, only 12 had been published before the 1790 Copyright Act came into effect.[60] This represents only 1.74% of all registered works, and only .058% percent of all published works during this period.[61] Furthermore, although surviving state copyright records before 1790 are extremely fragmentary,[62] at least five of the 12

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58. *Federal Copyright Records 1790–1800* (James Gilreath, ed., & Elizabeth Carter Wills, comp., 1987).

59. William J. Maher, *Copyright Term, Retrospective Extension, and the Copyright Act of 1790 in Historical Context*, 49 J. Copyr. Soc'y USA 1021, 1023–24 & n.8 (2002).

60. *Id.* at 1025–27. This figure does not include revised and/or expanded editions of previously published works, which were considered "new" works for purposes of registration. *Id.* While these figures are necessarily incomplete, as no registration records from either Connecticut or New Jersey survive, *id.* at 1024–25, statistical extrapolation suggests there were probably only about 5 additional works in this category, *id.* at 1025 n.10.

61. *Id.* at 1027.

62. There are fewer than 40 surviving state copyright registrations. See G. Thomas Tanselle, *Copyright Records and the Bibliographer*, 22 Stud. Bibliography 77, 83–85 (1969).

previously published works had been registered for copyright under state law,[63] and therefore could not have been in the public domain at the time the 1790 Act came into effect.

Thus, even if some members of the First Congress did not believe that a post-publication common-law copyright existed, it is doubtful that "that the 1790 Congress . . . was engaged in providing blanket copyright coverage for 'old works.'"[64] Instead, just as the Statute of Anne had provided a period of 21 years for previously published works, to limit the term of copyrights that previously had been regarded as perpetual, the 1790 Act likely provided protection to previously published works in order to limit any claims of copyright based on the common law, and to ease the transition from the uncertain and largely ineffective protection provided under the state copyrights acts to a single federal copyright.

D. The Copyright Act of 1831

We find probable confirmation of this view in the fact that forty years later, when the 1831 Act was adopted, key members of Congress still believed that a perpetual common-law copyright had existed prior to the Statute of Anne and the 1790 Act.

In 1826, Noah Webster wrote to Daniel Webster, who represented Massachusetts in the House,

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63. Maher, *supra* note 59, at 1027.

64. *Id.* at 1031.

seeking his assistance in making the statutory term perpetual:

> I sincerely wish our legislature would come at once to the line of right and justice on this subject, and pass a new act, the preamble to which shall admit the principle that an author has, by common law, or natural justice, the sole and *permanent* right to make profit by his own labor, and that his heirs and assigns shall enjoy the right, unclogged with conditions.[65]

Daniel Webster replied that he would forward the letter to the Judiciary Committee, but he added "I confess frankly that I see, or think I see, objections to make it perpetual. At the same time I am willing to extend it further than at present."[66]

In 1828, Noah Webster's son-in-law, William W. Ellsworth, was elected to Congress and appointed to the Judiciary Committee. The Report prepared by Ellsworth for the Committee shows the influence of Webster's views. It stated that:

> In England, the right of an author to the exclusive and perpetual profits of his book was enjoyed, and never questioned, until it was decided in

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65. Noah Webster, *Origin of the Copy-Right Laws in the United States*, in *A Collection of Papers on Political, Literary and Moral Subjects* 176 (1843).

66. *Id.* at 176–77.

> Parliament, by a small vote . . . that the statute of Ann had abridged the common law right, which, it was conceded, had existed, instead of merely guarding and securing it by forfeitures for a limited time, as was obviously intended.[67]

The Report also stated that "[y]our committee believe that the just claims of authors require from our legislation a protection not less than what is proposed in the bill reported. Upon the first principles of proprietorship in property, an author has an exclusive and perpetual right, in preference to any other, to the fruits of his labor."[68] Similarly, Representative Gulian C. Verplanck of New York, speaking in favor of the bill during the debate, stated:

> [T]he work of an author was the result of his own labor. It was a right of property existing before the law of copyrights had been made. That statute did not give the right, it only secured it; it provided a legal remedy for the infringement of the right, and that was the sum of it. It was, he repeated, merely a legal provision for the protection of a natural right. . . . It

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67. 7 *Gales & Seton's Register of Debates in Congress*, at Appendix cxix (1831).

68. *Id.* at cxix–cxx.

> was so held in England; and in the great case of literary property, tried before the court of King's Bench, the judges were unanimously of opinion that an author had an inherent right of property in his works.[69]

Although this statement contains some factual inaccuracies, it is clear from the tenor of the debate that in 1831, many members of Congress who spoke on the matter believed that copyright was a natural right of the author that was protected at common law, before it was modified by the Statute of Anne. They likely believed that the same concept had been received into the common law of the states.

This Court addressed the issue a few years later.

E. Wheaton v. Peters

In 1827, Richard Peters succeeded Henry Wheaton as the official reporter of decisions for the U.S. Supreme Court.[70] In 1829, Peters began to publish "Condensed Reports" of the cases that had been decided prior to his appointment.[71] Wheaton and his publisher sued, alleging that Peters had copied Wheaton's Reports. The trial judge, sitting in equity, dismissed the complaint, ruling that

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69. *Id.* at 424.

70. Craig Joyce, *The Rise of the Supreme Court Reporter: An Institutional Perspective on Marshall Court Ascendancy*, 83 Mich. L. Rev. 1291, 1351–58 (1985).

71. *Id.* at 1362–70.

Wheaton had failed to comply with the formalities of the copyright statute and that it was doubtful he held any independent common-law rights. *Wheaton* v. *Peters*, 29 F. Cas. 862 (CCED Pa. 1832).

On appeal in the U.S. Supreme Court, Elijah Paine, arguing for Wheaton and citing *Millar* v. *Taylor*, contended that "An author was entitled, at common law, to a perpetual property in the copy of his works, and in the profits of their publication." *Wheaton* v. *Peters*, 33 U.S. (8 Pet.) 591, 595–96 (1834). Representing Peters, Joseph Reed Ingersoll countered that in *Donaldson* v. *Becket*, "the existence of the statute deprived the author of any right of action which he may have had at the common law." *Id.* at 629. In reply, Daniel Webster argued that "[t]he common law was carried to Pennsylvania on its settlement; and the statute of Anne did not change or affect it." *Id.* at 652.

Justice McLean delivered the majority opinion, which began by noting that

> the law appears to be well settled in England, that, since the statute of 8 Anne, the literary property of an author in his works can only be asserted under the statute.

Id. at 657.

Although no more than this was necessary to reject Wheaton's common-law claim as preempted by the 1790 Act, the Court instead questioned the existence, *ab initio*, of a common-law copyright after publication:

> [N]otwithstanding the opinion of a majority of the judges in the great case of Millar v. Taylor was in favour of the common law right before the statute, it is still considered, in England, as a question by no means free from doubt.
>
> That an author, at common law, has a property in his manuscript, and may obtain redress against any one who deprives him of it, or by improperly obtaining a copy endeavours to realise a profit by its publication, cannot be doubted; but this is a very different right from that which asserts a perpetual and exclusive property in the future publication of the work, after the author shall have published it to the world.

Id. The Court then asked: "But, if the common law right of authors were shown to exist in England, does the same right exist, and to the same extent, in this country[?]" *Id.* at 658. It replied that "there can be no common law of the United States" because "[t]he common law could be made a part of our federal system, only by legislative adoption." *Id.* The Court then inquired "whether the common law, as to copyrights, if any existed, was adopted in Pennsylvania." *Id.* Again, it suggested the answer was "no":

> No such right at the common law had been recognized in England, when the colony of Penn was organized [circa

> 1682]. Long afterwards, literary property became a subject of controversy, but the question was involved in great doubt and perplexity; and a little more than a century ago, it was decided by the highest judicial court in England, that the right of authors could not be asserted at common law, but under the statute. . .
>
> .
>
> Can it be contended, that this common law right, so involved in doubt as to divide the most learned jurists of England, . . . was brought into the wilds of Pennsylvania by its first adventurers. Was it suited to their condition?

Id. at 660.

The Court further reasoned that because the Patent and Copyright Clause used the word "securing," and because "it has never been pretended, by any one, either in this country or in England, that an inventor has a perpetual right, at common law, to sell the thing invented," Congress must have been creating new rights rather than protecting preexisting rights. *Id.* at 661. Thus, it concluded that "if the right of the complainants can be sustained, it must be sustained under the acts of congress." *Id.* at 662.

In rejecting any possibility that federal common law existed, and looking instead to state law, the

Court anticipated the landmark holding in *Erie Railroad Co.* v. *Tompkins*, 304 U.S. 64 (1938), over a century later. As the final authority on questions of federal law, the Court's holding in *Wheaton* that there was no federal post-publication common-law copyright is conclusive. But under *Erie*, not even the Supreme Court of the United States can have the final say concerning a matter of state law; that role belongs to the Supreme Court of Pennsylvania. Had the Supreme Court in *Wheaton* been aware of the body of English equity cases based on a common-law right that predated the Statute of Anne—many of which were contemporaneous with the founding of Pennsylvania, see *supra* pp. 7–11—it might have refrained from expounding on the common-law of Pennsylvania and confined itself to holding, as a matter of federal law, that whatever post-publication copyright may have existed at common law was preempted by the 1790 Act. Instead, *Wheaton*'s holding effectively precluded the further development of state law on the subject for more than a century.

There were indications in the 20th Century that the Supreme Court of Pennsylvania may have had a different view of what the common law provided some 150 years earlier. The one area of copyrightable subject matter that is not preempted by federal law, and will not be preempted until February 15, 2067, concerns sound recordings fixed before February 15, 1972. See 17 U.S.C. § 301(c); *Goldstein* v. *California*, 412 U.S. 546, 571 (1973). In upholding a common-law copyright in published

sound recordings in 1937, the Pennsylvania Supreme Court stated:

> At common law, rights in a literary or artistic work were recognized on substantially the same basis as title to other property. Such rights antedated the original copyright act of 8 Anne c. 19, and, while it has been uniformly held that the rights given by the act supersede those of the common law so far as the act applies, the common-law rights in regard to any field of literary or artistic production which does not fall within the purview of the copyright statute are not affected thereby.

Waring v. *WDAS Broadcasting Station*, 327 Pa. 433, 439, 194 A. 631, 634 (1937). The court then acknowledged in a footnote:

> It has long been a subject of discussion as to whether common-law rights in literary property survive publication, and whether, therefore, the copyright statute has restricted or broadened such rights. The early English view seems to have been that publication does not defeat the rights of proprietorship at common law. Millar v. Taylor, 4 Burr. 2303, 98 Eng. Rep. 201; Donaldson v. Becket, 4 Burr. 2408, 98 Eng. Rep. 257. The American view has been to the contrary, and

> holds that the common-law right is confined to the first publication. Wheaton v. Peters, 8 Pet. (33 U.S.) 591; Caliga v. Inter Ocean Newspaper Co., 215 U.S. 182 . . . .

327 Pa. at 439 n.5, 194 A. at 634 n.5.

It is clear from this footnote and elsewhere that the Pennsylvania Supreme Court felt bound by *Wheaton*. Ultimately, the court found a way around *Wheaton* by holding that a reservation of rights ("Not Licensed for Radio Broadcast") on phonograph records distributed to the public was sufficient to render the publication a "limited publication" that did not divest the plaintiff of its common-law rights. 327 Pa. at 447–48, 194 A. at 638. However, if *Waring* had been decided one year after *Erie*, instead of one year before, the state court might not have felt so constrained and might not have resorted to such a fiction.

Moreover, post-*Erie*, the highest court of at least one state, New York, has expressly questioned *Wheaton*'s "unpersuasive analysis of Pennsylvania common law," *Capitol Records, Inc.* v. *Naxos of America, Inc.*, 4 N.Y.3d 540, 552 n.5, 830 N.E.3d 250, 258 n.5 (2005), and held that "[b]ecause the federal Copyright Act did not protect musical recordings, state common law could supply *perpetual* copyright protection to recordings without regard to the limitations of 'publication' under the federal act." 4 N.Y.2d at 559, 830 N.E.2d at 263 (emphasis added).

The point of citing these modern decisions is not to try to demonstrate what judges in Pennsylvania may have thought about common-law copyright at the time of the founding. The point is that the debate rages on, and that we are no closer to definitively resolving the question of common-law copyright than we were in 1790.

In view of the unsettled nature of the question, the evidence that at least some of the Framers believed in the existence of a post-publication common-law right, and the lack of conclusive evidence to the contrary, we certainly cannot conclude that the Congress that drafted the 1790 Act rejected the notion of common-law copyright and believed that they were restoring copyrights in works that had previously been in the public domain.

CONCLUSION

For the foregoing reasons, this Court should conclude that there is no First Congress precedent for the URAA.

June 17, 2011. Respectfully submitted,

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AMICUS CURIAE BRIEF

No. 10-545

IN THE

Supreme Court of the United States

LAWRENCE GOLAN, et al.,

Petitioners,

v.

ERIC H. HOLDER, JR.,
ATTORNEY GENERAL, et al.,

Respondents.

ON WRIT OF CERTIORARI TO THE
UNITED STATES COURT OF APPEALS FOR THE TENTH CIRCUIT

BRIEF FOR GOOGLE, INC. AS *AMICUS CURIAE* IN SUPPORT OF PETITIONERS

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TABLE OF CONTENTS

Page

Table of Contents i

Table of Authorities iii

Statement of Interest 1

Summary of Argument 8

ARGUMENT 10

I. THE PUBLIC DOMAIN ENJOYS SPECIAL CONSTITUTIONAL STANDING AND DEMANDS RIGOROUS JUDICIAL PROTECTION 10

A. The Public Domain Is Of Fundamental Constitutional Significance 11

B. Uncertainty As To The Stability of Public Domain Status Will Deter Investments in Making the Public Domain Accessible 16

C. The Need To Uphold And Protect Public Domain Status Is Increasingly Vital 17

II. SECTION 514 IS A LAW ABRIDGING THE FREEDOM OF SPEECH, WARRANTING SEARCHING FIRST AMENDMENT SCRUTINY 18

A. The Free Speech Rights Burdened By Section 514 Are Important, Not Marginal 20

B. The Categorical First Amendment Immunity The Government Urges Is As Unsound As the One *Eldred* Rejected 24

C. "Restoration" Does Not Vindicate Any Countervailing First Amendment Right 27

III. THE COURT SHOULD ENSURE THAT ITS DECISION PROMOTES NATIONALLY UNIFORM RULES GOVERNING THESE WORKS' COPYRIGHT STATUS 29

CONCLUSION 36

TABLE OF AUTHORITIES

Page

Cases

Authors Guild v. Google, Inc., No. 05-Civ.-8136, 2011 WL 986049 (S.D.N.Y. March 22, 2011) 6

Bonito Boats, Inc. v. Thunder Craft Boats, Inc., 489 U.S. 141 (1989) 13

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City of Houston, Texas v. Hill, 482 U.S. 451 (1987). 23

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Cohens v. *Virginia*, 19 U.S. 264 (1821) 20

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Dickerson v. United States, 530 U.S. 428 (2000)..... 25

Dastar Corp. v. Twentieth Cent Fox Film Corp., 539 U.S. 23 (2003) 13

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Eldred v. Ashcroft, 537 U.S. 186 (2003) ..... *passim*

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Graham v. John Deere Co., 383 U.S. 1 (1966) 12

Harper & Row Publishers, Inc. v. Nation Enterprises, 471 U.S. 539 (1985) 24, 27

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Hurley v. Irish-American Gay, Lesbian & Bisexual Group, 515 U.S. 557 (1995) 22, 23

Hustler Magazine v. Falwell, 485 U.S. 46 (1988) 21

Kewanee Oil Co. v. Bicron Corp., 416 U.S. 470 (1974) 11, 20

Kleindienst v. Mandel, 408 U.S. 753 (1972) 7, 23

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Texas v. Johnson, 491 U.S. 397 (1989) 23

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Constitution and Statutes

U.S. Constitution, Art. I, § 8, cl. 8 8

U.S. Const. amend. I ..... *passim*

Berne Convention Implementation Act of 1988 § 12, Pub. L. No. 100-568, 102 Stat. 2853 (1988) .. 12

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Copyright Act of 1976, Pub. L. No. 94-553, § 103, 90 Stat. 2541 ..... 12, 19, 32, 33

Uruguay Round Agreements Act of 1994 § 514, 17 U.S.C. § 104A(h)(6)(C) ..... *passim*

17 U.S.C. § 107 27-28

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17 U.S.C. § 111(d) 22

17 U.S.C. § 115 28

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H.R. Rep. No. 59-7083 (1907) 12

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STATEMENT OF INTEREST*

Amicus Google, Inc., founded in 1998, is a diversified technology company headquartered in California's Silicon Valley. Google's mission is to organize the world's information and make it universally accessible and useful.[1] Google's history has coincided with, and contributed to, a vast expansion of the internet and computer technologies that have profoundly influenced human society.

Describing the burgeoning potential of the internet around the time of Google's founding, this Court observed that "[t]he Web is * * * comparable, from the readers' viewpoint, to both a vast library including millions of readily available and indexed publications and a sprawling mall offering goods and services," and from "publishers' point of view" "a vast platform from which to address * * * a world wide audience of millions * * * ." *Reno v. ACLU*, 521 U.S. 844, 853 (1997). The ensuing decade saw the erosion of distinctions among groups with fixed roles and "viewpoints": high-speed internet connections, cellphone cameras, and computing and software advances have enabled individual users to participate in politics and culture and to

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* Pursuant to Supreme Court Rule 37.6, amicus affirms that no counsel for a party authored this brief in whole or in part and that no person other than amicus and its counsel made a monetary contribution to its preparation or submission. All parties' letters consenting to the submission of amicus briefs have been filed with the Clerk's office.

[1] *See* www.google.com/about/corporate/company/.

communicate, collaborate, and create for themselves in unprecedented and unforeseen ways.

Less than a decade after the YouTube service (now owned by Google) was launched as a platform for individual internet users to "broadcast themselves," by publicly posting home videos, major presidential candidates were debating and taking user questions on YouTube; the White House had established a YouTube channel; and people in countries with repressive regimes were using that service and other social media to communicate with each other and the outside world to promote peaceful change.

The creative process has likewise changed fundamentally: aspiring performers now launch careers by placing work before vast audiences without awaiting entertainment industry imprimatur, while new technology, together with eclectic raw materials from an expanding internet, enable those without professional artistic ambitions to express themselves creatively. And the internet has developed so as to enable diverse new forms of reporting and commenting on public affairs; privately published works and low-budget (but internationally and instantly accessible) journals on subjects grand and minute; and blogs that allow citizens to make important journalistic contributions and engage with interlocutors worldwide in free-wheeling debates.

In addition to YouTube and Google Search, the signature service that people the world over, in 120 languages, use billions of times daily to find information on the internet, Google provides a wide array of products and services that help people find, organize, and communicate information, create art,

develop ideas, market their wares, and express and amuse themselves. These include Google Translate, a free language detection and translation service; Picasa, a web-based photograph editing and sharing platform; Blogger, an online self-publication host; Google Docs, which enables authors to work collaboratively on writing projects; Google Maps; Google Earth, a virtual globe, map and geographical information program; and Google Patent Search, which allows users to search millions of U.S. patents and patent applications.

What these have in common is the use of innovative computer and digital technology and the culture and architecture of the internet to increase dramatically the ability of wider groups of people to participate more fully and on more equal terms in the economy, cultural life, and political discourse. Most of the services Google provides are advertiser-supported and available free of charge. They connect people in poorer countries and residents of geographically isolated or disadvantaged communities in this country to historic centers of information, economic and political power. They make available to community college students and users of small-town libraries information, art, and literary and scientific works heretofore found only in the reading rooms of elite research universities. Google Translate makes vast quantities of material usable to those who do not know the author's language and makes it possible for artists, scholars, businesspeople, and individuals across the globe to communicate with one another effectively at no cost.

Many of Google's services depend or build upon public domain materials. For example, Google Scholar makes public domain legal opinions

searchable and available free of charge. The Google Art Project showcases and provides extremely high resolution images of public domain art hanging in many of the world's most famous museums. The wealth of eclectic public domain materials – and of innovative and creative projects using them – is enormous and expanding.[2]

But Google's largest investment in the public domain is in the area of books. Since its beginnings, the company has focused on using the power of digital technology to collect, and make available and searchable, the vast stores of human knowledge and experience recorded in books. Indeed, Google emerged out of its founders' work on the Stanford Digital Library Project, a National Science Foundation-supported project intended to develop the enabling technologies for an integrated universal library. Google later joined with Oxford University's Bodleian Library to digitize hundreds of thousands of volumes in its collection of nineteenth-century public domain books and has supported the World Digital Library, which makes available on the internet, free of charge and in multilingual format, significant primary materials from countries and cultures around the world. Google has created an online Shakespeare collection, which enables anyone to find and search Shakespeare's complete works, and provides visitors with access to a wealth of

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[2] Numerous other companies and nonprofit entities have undertaken projects that allow users to access and build upon public domain materials, *see, e.g.*, www.flickr.com/commons (Flickr's "The Commons" service); www.archive.org/movies/ (Internet Archive's public domain films).

historical and scholarly resources as well a means of communicating with one another.

In December 2004, Google announced the Google Library Project to convert to digital form the collections of some of the world's largest libraries, in order to make those collections full-text searchable in the same manner as texts on the World Wide Web. The company has invested substantial resources to scan and digitize more than 15 million works, including those in the collections of many of the United States's leading universities, the New York Public Library and national and academic libraries in other countries.

Google has so far scanned and made available in full view in the United States more than three million public domain works. Google makes the entire text of such books available for viewing and reading online and makes the books available for download in their entirety, for free, expanding access to works previously located only in research libraries and special collections, and enabling others, in turn, to build on these digitized public domain texts.

With respect to books under copyright, the Google Library Project functions like a digital card catalog, but one that provides important additional functionalities, including the ability to search the full text of the collection, links to bookstores and libraries where the books may be purchased or borrowed, and the ability to view "snippets" of a few lines of text responsive to a user's search query. Where it has agreements in place with authors and publishers, Google offers additional features, including longer excerpts. (Without those licensing deals, copyrighted texts are never shown to users except in short snippets). Google has entered into

such agreements with tens of thousands of individual rightsholders.[3]

The enormous social benefits of this and other large-scale digitization efforts have been widely recognized. As President Mary Sue Coleman summarized in explaining the University of Michigan's decision to partner with Google to digitize that university's seven million books, the partnership "offers three overarching qualities that help fulfill our mission: the preservation of books; worldwide access to information; and, most importantly, the public good of the diffusion of knowledge."[4]

The provision at issue in this case and the broader questions it presents are of large practical significance and vital interest to Google and its users. The challenged legislative "restoration" could affect the copyright status of vast numbers of books that have already been scanned as part of the Library Project, and many others yet to be scanned. (The numbers of already-scanned books affected could exceed one million, depending on other factors,

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[3] The legality of the digitization undertaking with respect to in-copyright materials has been challenged, *see Authors Guild v. Google, Inc.*, No. 05-Civ.-8136 (S.D.N.Y.); *id.*, 2011 WL 986049 (S.D.N.Y. March 22, 2011) (declining to approve proposed class action settlement).

[4] Mary Sue Coleman, *Google, the Khmer Rouge and the Public Good* (Feb. 6, 2006), *available at* www.umich.edu/pres/speech/archive/060310sym.php.

including the *Twin Books* issue, discussed in Part III, *infra*, as well business considerations).[5]

Google's mission overlaps with, and depends upon, the core values expressed in and secured by the constitutional provisions at issue in this case: Article I, Section 8, Clause 8 of the U.S. Constitution, which empowers Congress to grant limited exclusive rights in order to promote the "the Progress of Science and useful Arts," thereby "enriching the general public through access to creative works," *Fogerty v. Fantasy, Inc.*, 510 U.S. 517, 526-27 (1994); and the First Amendment, which guarantees "the freedom of speech," and "of the press," and "carries with it * * * freedom to listen," *Richmond Newspapers v. Virginia*, 448 U.S. 555, 576 (1980), and to "receive information and ideas," *Kleindienst v. Mandel*, 408 U.S. 753, 762 (1972), and "prohibit[s] government from limiting the stock of information from which members of the public may draw," *First Nat'l Bank of Boston v. Bellotti*, 435 U.S. 765, 783 (1978).

The protections of copyright law are, Google recognizes, integral to innovation and creativity. But the public domain is, we submit, not a marginal category, and the bright-line principle at stake in this case – "that matter once in the public domain must remain" there – is no abstract dictum. It plays and will continue to play a central, foundational role in many of the large-scale projects Google invests in and develops and is indispensable to the creativity, education, and free expression these projects seek to enable.

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[5] Google has not yet decided how it would treat these books if their status reverted to public domain.

SUMMARY OF ARGUMENT

Section 514 of Uruguay Round Agreements Act breaks with more than two centuries of practice and understanding by imposing copyright law restrictions on the expressive use of "work[s] of authorship" – numbering in the millions – that were "in the public domain in the United States," 17 U.S.C. § 104A(h)(6)(C), and had been for decades. As such, Section 514 transgresses a "bright line" principle that is definitional to the public domain and is a basic tenet of copyright law, namely, that materials in the public domain remain there permanently for the public to consider, perform, build upon, circulate, and recast into other creations.

In defending the statute and straining to depict it as an unexceptional exercise of legislative policymaking authority akin to the term extension in *Eldred* v. *Ashcroft*, 537 U.S. 186 (2003), the Government diminishes the legal and practical significance of the public domain. But contrary to the premises of Section 514 and the United States's defense of it, the public domain is not some marginal or provisional category that exists at the sufferance of Congress or Executive Branch trade negotiators. Instead, it is a central feature of the regime of public creativity that Article I, Section 8, Clause 8 promotes; indeed, enriching the public domain can fairly be termed the end goal of that system.

The need to affirm and protect the integrity of the public domain is of special practical importance now, as new technologies and projects like those Google has undertaken offer unprecedented means for individuals to access materials in the public domain and put them to use, as is their right. Section 514, and the necessary implication that future

"restorations" may also be freely given, unsettle that foundational premise. The statute places an ominous cloud over what had been the property of all Americans, and discourages investment in facilitating access to and use of public domain materials.

Section 514 is plainly a "law abridging the freedom of speech," and as such merits close, not perfunctory, judicial scrutiny. The First Amendment protects, in undiminished fashion, individuals' rights to access and use public domain materials created by others. The Government's contentions that the Free Speech Clause has no role unless an enactment banishes the fair use defense or authorizes copyrighting of ideas rests on a doubtful reading of *Eldred*, one that cannot be squared with constitutional first principles. Neither could Section 514's limitations on speech be justified as a facilitating the free speech rights of the foreign works' rightsholders. There is no *constitutional* right to prevent others from using one's (or one's predecessor-in-interest's) expression, let alone in doing so after the expression has entered the public domain.

Finally, this brief calls the Court's attention to a significant additional development that directly affects the copyright status of many of these same works, both complicating the statute's intended operation and standing as a practical obstacle to vindicating the clarity, certainty, and national uniformity that petitioners here seek – and, we believe, that the Constitution and legal tradition demand.

As we explain, in two widely-criticized decisions that post-date the enactment of Section 514, *Twin*

Books Corp. v. Walt Disney Co., 83 F.3d 1162 (9th Cir. 1996), and *Société Civile Succession Richard Guino v. Renoir*, 549 F.3d 1182 (9th Cir. 2008), the Ninth Circuit discarded a fundamental norm that even the 1994 restoration statute did not breach (and indeed affirmed): that a work is either protected by copyright or in the public domain. Addressing the copyright status of works published abroad without satisfying U.S. copyright formalities, *Twin Books* recognized for the first time under the 1909 Act, a twilight category, under which these works could be freely copied and exploited in the United States, yet were not in the "public domain" – and therefore could be (and were) later converted to copyright protection.

This rule operates as a source of uncertainty, disuniformity, and unfairness. It illustrates, just as Section 514 does, the importance to the public of stability and predictable rules safeguarding the public domain. Although this case involves works whose public domain status (but for restoration) is not at issue, and arises in a circuit that has not adopted the spurious Ninth Circuit rule, the Court should take care, as it decides this case, to avoid signaling approval of the untenable *Twin Books* regime.

ARGUMENT

I. THE PUBLIC DOMAIN ENJOYS SPECIAL CONSTITUTIONAL STATUS AND DEMANDS RIGOROUS JUDICIAL PROTECTION

The Court should reject the premises implicit in Section 514 – and explicit in the Government's defense of it below: that legislation imposing

copyright law restrictions on expression that uses works "in the public domain of the United States," 17 U.S.C. § 104A(h)(6)(C), raises no special constitutional concern.

The distinction between works entitled to copyright protection and those in the public domain is basic to the system of copyright and free expression the Constitution establishes. The extraordinary congressional power asserted is condemned by the Constitution, as well as by centuries of legal tradition. Indeed, enforcing these established limits is especially important here. Not only does this law make copyright infringers of persons who continue to make creative use of works that for decades were lawfully available to them, but the practical effect of the "restoration" is in many cases to withdraw works from any productive use without any benefit to (hypothetical) rightsholders. And it does so at a juncture when technological change has made the public's historic legal rights of access to these materials a practical reality.

A. The Public Domain Is Of Fundamental Constitutional Significance

The Government's claims of broad "restoration" power are belied by the text and structure of the Constitution and by legal tradition. The power asserted goes far outside the "traditional contours" of copyright law, *see Eldred*, 537 U.S. at 221, and works a deep incursion into the freedom of speech secured by the First Amendment.

This Court has repeatedly affirmed that permanence is definitional to the public domain – "that matter once in the public domain must remain in the public domain," *Kewanee Oil Co. v. Bicron*

Corp., 416 U.S. 470, 484 (1974), and that Congress lacks power to enact legislation "whose effects are to remove existent knowledge from the public domain, or to restrict free access to materials already available," *Graham v. John Deere Co.*, 383 U.S. 1, 6 (1966). But the principle does not derive from particular expressions in judicial opinions; nor is its recognition confined to them.

Respect for the integrity, importance, and inviolability of the public domain has been a feature of every copyright statute Congress has enacted for two centuries, including the impressively long and unbroken run of extension statutes canvassed in *Eldred*. *See, e.g.*, Copyright Act of 1976, Pub. L. No. 94-553, § 103, 90, Stat. 2541, 2599 ("This Act does not provide copyright protection for any work that goes into the public domain before January 1, 1978."); Copyright Act of 1909, Pub. L. No. 60-349, § 7, 35 Stat. 1075, 1077 ("no copyright shall subsist in the original text of any work which is in the public domain"); *see also* Berne Convention Implementation Act of 1988, Pub. L. No. 100-568, § 12, 102 Stat. 2853 (1988).

Indeed, as petitioners explain (Petr. Br. 31-41), permanence was not merely an operative effect of those enactments, but a basic premise. *See* H.R. Rep. No. 59-7083, at 11 (1907) (expressing law's intent "to make it clear that the original text of any work which has fallen into the public domain cannot be copyrighted"); H.R. Rep. No. 94-1476, at 180 (1976) ("lost or expired copyrights cannot be revived"); H.R. Rep. No. 87-1742, at 3 (1962) (term extension appropriate because "*it is not possible* to revive expired terms of copyright") (emphasis added).

The fundamental character of the public domain – and the implausibility of the claimed power to breach it routinely – is apparent from the text and structure of the Constitution. The "limited times" mandate does more than establish that American copyright's purposes are instrumental: it provides the author with a limited property right in the expression itself and assures that *works* reach the public domain, whereupon members of the public acquire the "federal right to 'copy and use'" them "at will," and without restriction, *Dastar Corp. v. Twentieth Century Fox Film Corp.*, 539 U.S. 23, 34 (2003) (quoting *Bonito Boats, Inc. v. Thunder Craft Boats, Inc.*, 489 U.S. 141, 165 (1989)); *see Stewart v. Abend*, 495 U.S. 207, 228 (1990) (describing "balance between the artist's right to control *the work during the term of the copyright protection* and the public's need for access to creative works") (emphasis added); *Fogerty*, 510 U.S. at 527 (noting that copyright "ultimately serves the purpose of enriching the general public through access to creative works," and that successful defense of infringement suit had "increased public exposure to a musical work that could, as a result, lead to further creative pieces").

And the public domain plays an at least equally foundational role in First Amendment free speech. As petitioners explain, the difference between the "First Amendment" protections built into works that are copyright-protected, and those in the public domain, is the difference between the "right" to play a few bars of Shostakovich or to make use of the "ideas" his composition expresses, and the freedom to perform – or arrange or "re-mix" – that work "at will." *Dastar*, 539 U.S. at 34; *see Symposia: The Constitutionality of Copyright Term Extension*, 18 CARDOZO ARTS & ENT. L.J. 651, 702 (2000) (Prof.

Jane C. Ginsburg) ("[T]here is a First Amendment right to publish freely works that are in the public domain.").

Indeed, the gulf separating the speech rights of the public before and after the restoration at issue here is even wider in practice than in theory. Although questions of copyright protection may summon to mind disputes over whether or not users should have to pay creators for use of their work, where works like those at issue here are involved, the difficulty and cost of even locating the relevant "rightsholder" from whom a license might be negotiated are very often insurmountable. The number of older works for which finding rightsholders is prohibitively expensive or that are indeed "orphans" – works in copyright whose rightsholder truly cannot be found – is very large.[6] And even when a rightsholder steps forward for such works, the passage of time makes it far likelier that others will make competing claims. *See* Robert Brauneis, *Copyright and the World's Most Popular*

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[6] *See, e.g.*, Anna Vuopala, *Assessment of the Orphan Works Issue and Costs for Rights Clearance* at 5 (European Commission, May 2010) ("A conservative estimate of the number of orphan books * * * across Europe puts the number at three million * * * (13% of the total number of in-copyright books) * * * . The older the books the higher the percentage of orphan works."), *see* http://ec.europa.eu/information_society/activities/digital_libraries/doc/reports_orphan/anna_report.pdf. *Id.* (finding that 95% of pre-1912 U.K. newspapers are orphan works); *see also* Christopher Sprigman, *Reform(aliz)ing Copyright*, 57 STAN. L. REV. 485, 497 (2004) (noting study finding that only 174 of 10,027 books published in the United States in 1930 were in print in 2001).

Song, 56 J. COPYRIGHT SOC'Y U.S.A. 335, 418 (2009) (detailing the variety and complexity of claims to copyright in "Happy Birthday to You").[7]

The definition of the class of works benefitted by this statute – works that are (1) old; (2) of foreign origin; (3) protected under non-U.S. law; and that (4) failed to comply with United States copyright "formalities," including renewal – reads like a field guide to works whose rightsholders are unlikely to be found. The beneficiaries of Section 514 are uniformly granted "restoration" when they failed to renew, a feature of the statute that is certain to

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[7] Determining whether a work is in the public domain can be difficult. As we explain below, *infra*, pp. 29-35, there has long been disagreement about the status under the 1909 Act of foreign-author works published without the notice required by that Act, with some authorities suggesting that the works were protected, on the theory that notice was required only for U.S. publication, and others concluding that publication without notice outside the United States put the work into the public domain. Two Ninth Circuit decisions venture a third position, namely, that foreign publication without Copyright Act notice placed works in a "limbo" status, which could persist for decades, that was neither copyright nor public domain. *See infra*, pp. 29-35 (discussing *Twin Books*, 83 F.3d at 1162, and *Guino*, 549 F.3d at 1184). As we explain, that rule renders such works ineligible for "restoration" under Section 514 – which requires "public domain" status – and threatens to deny parties who might qualify for the limited "reliance party" rights Section 514 provides.

leave a large body of stranded, unusable, and unremunerative abandoned or orphan works.[8]

Thus, for most of the works covered by Section 514, the effect of the restoration will not be to direct money to the creators' successors-in-interest; it will mean that the works will remain moribund, and that efforts to build upon the works – by performing, by adapting, or by offering to the public – will be discouraged. For the public – including many beyond the "reliance parties" who are petitioners here – the statute will mean a loss of access to many of the affected works.

B. Uncertainty As To The Stability of Public Domain Status Will Deter Investments in Making the Public Domain Accessible

But the implications of this statute – and of approving the theory of congressional power the Government advances to support it – are more serious still. The power asserted unsettles an especially important point of copyright law where a measure of reliable certainty had prevailed: the principle that works in the public domain are there *permanently*. Upholding that claim would alter the status of *every* work currently in the public domain – by rendering provisional their most practically important defining characteristic, that they may be

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[8] Studies have found that approximately 15% of those issued U.S. copyrights between 1923 and 1963 – 8% for books – renewed them, *see* Sprigman, 57 STAN. L. REV. at 519-20, meaning that "[t]he burdens of copyright, therefore, were visited only on those works that had passed through the renewal filter – *i.e.*, only those works for which continuing protection could be expected to provide some return for the author." *Id.* at 537.

used freely, without restriction, without fear of copyright-law based interference or liability.

Many individual undertakings – and digital compilations – have hewed to public domain materials precisely because these are understood as avoiding complexities, costly historical searches, and legal risk. For an individual contemplating spending months translating a novel; a composer considering rearranging a piece of music; or a library contemplating offering free copies of a public domain work, the instability that such a rule would foster is likely to support a decision not to create. The chilling effect would be no less significant for companies and organizations offering products and programs that facilitate the public's access to, and ability to enjoy, explore, and create with public domain materials.

Nor is it an answer that this statute applies to just these – millions – of public domain works and that concerns about future "restorations" are "speculative." Indeed, there is no reason to believe that the rationale and authority for this measure could not be invoked to restore, for example, the works of *United States* authors whose exclusive rights were forfeited based on noncompliance with renewal or other formalities – or that nations from whom the United States seeks future trade advantages would not condition these on Congress's restoring their authors' rights.

C. The Need To Uphold And Protect Public Domain Status Is Increasingly Vital

Uncertainty about the stability of public domain status is especially harmful today, because it undercuts ongoing efforts, spurred by new

technology and the widespread public use of the internet, to make creative and productive use of public domain materials. For a small company, or a university or other nonprofit institution, the risk that public domain materials may in the future be the subject of new copyright claims deters investment in public domain resources. Even for a large company like Google, the possibility that works in the public domain will be legislatively deemed copyrighted in the future is a daunting and complicating prospect. A newly recognized congressional power to withdraw materials from the public domain – decades after the fact – will reduce incentives to make public domain works available to the public, efforts that often require large upfront investments (scanning entire libraries of old, oddly shaped books is expensive).

II. SECTION 514 IS A LAW ABRIDGING THE FREEDOM OF SPEECH, WARRANTING SEARCHING FIRST AMENDMENT SCRUTINY

By its terms, the prohibition Section 514 erects is directed at a subset of expressive activities defined by their use of a "work of authorship that * * * is in the public domain in the United States." 17 U.S.C. § 104A(h)(6)(C). Section 514 regulates petitioners and other "reliance parties," threatening them with penalties and criminal punishment for, *inter alia*, continuing to perform and distribute works they lawfully created using materials in the public domain – unless they purchase a license from the "rightsholder." Others were required to cease activities such as performing or experimenting with works they have spent decades mastering, unless they obtain the "rightsholder's" consent, which may

be withheld for any reason, or no reason at all. *See Stewart*, 495 U.S. at 229 ("[T]his Court has held that a copyright owner has the capacity arbitrarily to refuse to license one who seeks to exploit the work."). And beyond these burdens, the provision directly and seriously "limits the stock of information from which members of the public may draw." *Bellotti*, 435 U.S. at 783, as well as "freedom to listen, and receive information and ideas." *Virginia State Bd. of Pharmacy v. Virginia Citizens Consumer Council, Inc.*, 425 U.S. 748, 756-57 (1976).

As with its arguments about congressional power, the Government's responses to petitioners' First Amendment claim have been based heavily on *Eldred*, which rebuffed a free speech challenge, noting, *inter alia*, the shared concerns and temporal proximity of the Copyright Clause and the First Amendment, 537 U.S. at 219; the presence of protections for free speech interests "built in" to copyright doctrine (namely fair use and idea/expression dichotomy), *id.*; and observing that the First Amendment "bears less heavily when speakers assert the right to make other people's speeches," *id.* at 221. From this, the Government has argued that an exercise of the Copyright Power should be upheld so long as it leaves intact these two "traditional" free speech-accommodating "contours," Br. in Opp. 21-22 (citing *Eldred*, 537 U.S. at 221).

But as the Tenth Circuit recognized, the proposed rule of decision does not reflect a sound reading of *Eldred*, and is irreconcilable with bedrock constitutional principles. Not only is Section 514 well outside the historic contours of copyright, but what it regulates – a wide array of expression that makes use of works then (and long) "in the public

domain in the United States" – is at the core, not the outer reaches, of what the First Amendment protects.

A. The Free Speech Rights Burdened By Section 514 Are Important, Not Marginal

The *Eldred* Court's statement that the First Amendment "bears less heavily when speakers assert the right to make other people's speeches" addressed the novel constitutional claim pressed in that case – a "Free Speech" right to access and exploit works still within an unexpired and temporally-limited copyright term. It is not an accurate statement of general First Amendment principles. *Cf. Cohens v. Virginia*, 19 U.S. 264, 399 (1821).

While it would be possible to say the law in *Eldred*, by postponing access for a limited additional time, did "not violate 'the freedom of speech' to which the First Amendment refers," there is no "long-established tradition" of regulating speech that makes use of "other people's" words fixed in public domain works. *See Nevada Comm'n on Ethics v. Carrigan*, 2011 WL 2297793 (U.S. June 13, 2011). On the contrary, "once [someone else's] speech is in the public domain, it is an element of information, and the concept of free speech would include reiterating unprotected information * * *. There is a First Amendment right to publish freely works that are in the public domain." *Copyright Term Extension*, 18 CARDOZO ARTS & ENT. L.J. at 701-02 (Prof. Ginsburg); *see also Kewanee Oil Co.*, 416 U.S. at 484 ("[T]he policy that matter once in the public domain must remain in the public domain is not incompatible with the existence of trade secret

protection. By definition a trade secret has not been placed in the public domain.").

Any suggestion that expression is *generally* entitled to diminished protection because it makes use of "other people's" words, fixed in a public domain work, rather than the author's or performer's own expression, is wholly contrary to First Amendment precedent and principle. As this Court has recently underscored, the enterprise of assigning lesser or no protection to categories of ostensibly low-value speech is not a growth field, and the Court has held protected categories more apparently problematic than lawfully-created but less-than-fully novel works, *see United States v. Stevens*, 130 S. Ct. 1577, 1585 (2010) (federal criminal law prohibiting videotaped depictions of animal cruelty); *see also Simon & Schuster, Inc. v. Members of N.Y. State Crime Victims Bd.*, 502 U.S. 105, 124 (1991) (Kennedy, J., concurring); *Hustler Magazine v. Falwell*, 485 U.S. 46, 52 (1988) (explaining that "[f]alse statements of fact" are protected even though they "particularly valueless").

The right to speech that makes extensive use of (or even reproduces) public domain works authored by "others" is in fact not a poor relation of the First Amendment. Although originality is the "*sine qua non* of copyright," *Feist Publin's, Inc. v. Rural Tel. Serv. Co., Inc.*, 499 U.S. 340, 345 (1991), it occupies no privileged place in First Amendment doctrine, nor could it, given the provision's textual commitment to freedom of the press. For example, the law at issue in *Turner Broadcasting System, Inc. v. FCC*, 512 U.S. 622, 636 (1994), which the *Eldred* opinion described as implicating "the heart of the First Amendment," namely, "the principle that each

person should decide for himself or herself the ideas and beliefs deserving of expression, consideration, and adherence," 537 U.S. at 641, was cited in *Hurley v. Irish-American Gay, Lesbian & Bisexual Group*, 515 U.S. 557, 570 (1995), to refute an argument that the petitioner parade organizing committee enjoyed limited First Amendment protection because it was a "mere[] conduit," "rather than itself a speaker." The Court explained:

> Cable operators * * * are engaged in protected speech activities even when they only select programming originally produced by others * * *. For that matter, the presentation of an edited compilation of speech generated by other persons is a staple of most newspapers' opinion pages, which, of course, fall squarely within the core of First Amendment security, *Miami Herald Publishing Co. v. Tornillo*, 418 U.S. 241, 258 (1974), as does even the simple selection of a paid noncommercial advertisement for inclusion in a daily paper, *see New York Times* [*v. Sullivan*], 376 U.S. [254, 265-66 (1965)].

515 U.S. at 570.[9]

In *Edwards v. South Carolina*, 372 U.S. 229, 235 (1963), the Court described petitioners' civil rights march "carrying placards [and] singing The Star Spangled Banner" (itself a work in the public

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[9] Indeed, the expression repeated by the cable system operator plaintiffs in *Turner* was not within the public domain – they obtained it through a compulsory license – and that license, far from rewarding originality, forbade the speaker from altering the original. *See* 17 U.S.C. §§ 111(c)(3), 111(d).

domain) as "reflect[ing] an exercise of * * * constitutional rights in their most pristine and classic form." *See also New York Times Co. v. United States*, 403 U.S. 713 (1971) (per curiam) (upholding newspaper's First Amendment interest in publishing work authored by government employees).

This Court's opinions recognize that freedom to decide *how* to express something is fully protected – it is not a valid First Amendment defense that the government left open other ways to express the same "idea." *Cohen v. California*, 403 U.S. 15, 26 (1971); *City of Ladue v. Gilleo*, 512 U.S. 43, 56 (1994); *City of Houston, Tex. v. Hill*, 482 U.S. 451, 461 (1987). Its opinions *demonstrate* the expressive power of verbatim repetition. *See, e.g., Texas v. Johnson*, 491 U.S. 397, 424 (1989) (Rehnquist, C.J., dissenting) (reproducing in full John Greenleaf Whittier's poem, "Barbara Frietchie"); *United States v. Virginia*, 518 U.S. 515, 601-02 (1996) (Scalia, J., dissenting) (verbatim quotation of "The Code of a Gentleman").

Indeed, paradigmatic examples of works described as "unquestionably shielded," *Hurley*, 515 U.S. at 569, and "fully protected" by the First Amendment – such as the "Jabberwocky verse of Lewis Carroll," *id.*, or "Keats' poems or Donne's sermons," *Stevens*, 130 S. Ct. at 1591 – involve authors who are long dead. People's rights to publish, read, listen to, or watch recitations of such works are protected, not because of the rights of the late authors, but because Free Speech carries with it a freedom to listen, and to "receive information and ideas." *Kleindienst*, 408 U.S. at 762; *see* Jed Rubenfeld, *The Freedom of Imagination: Copyright's Constitutionality*, 112 YALE L.J. 1, 35 (2002) ("[O]ne of the things the First Amendment centrally prohibits is a law that

criminalizes the reading of books, including dead writers' books * * * ."); *Stanley v. Georgia*, 394 U.S. 557, 565 (1970).

But even if creativity and originality were the polestar of the First Amendment, the distinction drawn by Section 514 would still not be sound. This Court has long emphasized that the "originality" needed for copyright does not contemplate "strictly new and original throughout." *Campbell v. Acuff-Rose Music, Inc.*, 510 U.S. 569, 575-76 (1994) (quoting *Emerson v. Davies*, 8 F.Cas. 615, 619 (C.C.D. Mass. 1845) (Story, J.)). "Every book in literature, science and art, borrows, and must necessarily borrow, and use much which was well known and used before," *id.*, and liability for infringement is not a verdict of unoriginality, *Stewart*, 495 U.S. at 238 (copyright prohibition reaches use that "is insubstantial with respect to the *infringing* work'") (quoting *Harper & Row Publishers, Inc. v. Nation Enters.*, 471 U.S. 539, 565 (1985)).

B. The Categorical First Amendment Immunity the Government Urges Is As Unsound As the One *Eldred* Rejected

Eldred forecloses any argument that copyright legislation is "categorically immune" from First Amendment scrutiny. 537 U.S. at 221. Yet the rule the Government derives from *Eldred* – that copyright statutes that leave intact the two cited "accommodations" (idea/expression and fair use)

intact are perforce constitutional (*see* Br. in Opp. 22) – is itself "categorical," and unacceptably rigid.[10]

The basic constitutional reasons why "immunity" is unsound condemn the United States's proposal here: The exercise of all powers in the Constitution, including "express" and "affirmative" powers in Article I, is subject to the limitations imposed by the Bill of Rights, *see, e.g., Lamont v. Postmaster General*, 381 U.S. 301 (1965), and enactment of a statute – even one with "built-in" safeguards – cannot alter or "legislatively supersede" constitutional protection, *Dickerson v. United States*, 530 U.S. 428, 437 (2000). *Cf. Fitzgerald v. Barnstable Sch. Comm.*, 555 U.S. 246 (2009).[11]

Instead, non-constitutional "accommodations" are the beginning, not the end, of constitutional

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[10] Indeed, what the Government offers as a substitute is in fact the rule the Court rejected: the D.C. Circuit immunity declaration disavowed in *Eldred* appeared in an opinion that elsewhere stated that the idea/expression dichotomy and availability of fair use "obviate[] further inquiry under the First Amendment." *Eldred v. Reno*, 239 F.3d 372, 376 (D.C. Cir. 2001).

[11] Where two constitutional provisions provide overlapping protection, it is not usual practice to treat one as annulling the other. *See Soldal v. Cook County*, 506 U.S. 56, 70 (1992). One constitutional or statutory provision may be said to "obviate" the need for considering another, only in the sense that the former may provide sufficient protection that the latter becomes superfluous. *See* Steven J. Horowitz, *A Free Speech Theory of Copyright*, 2009 STAN. TECH. L. REV. 2 (proposing that First Amendment principles be read more fully into Copyright Clause).

analysis. *Curtis Publ'g Co. v. Butts*, 388 U.S. 130, 151-52 (1967) (plurality) (noting that First Amendment shield applies to libel law, even though "[t]ruth has become an absolute defense in almost all cases, and privileges designed to foster free communication are almost universally recognized"); *Snyder v. Phelps*, 131 S. Ct. 1207, 1222-23 (2011) (Alito, J., dissenting) (explaining that tort claim invalidated on First Amendment grounds was "very narrow" and had "requirements that 'are rigorous, and difficult to satisfy'"). Fair use is a capacious and flexible defense that is of great importance to Google and the kinds of dynamic web-driven initiatives described above, *see, e.g.*, *Perfect 10, Inc. v. Amazon.com, Inc.*, 508 F.3d 1146 (9th Cir. 2007), and is undoubtedly necessary to protect First Amendment rights. But neither fair use nor the idea/expression dichotomy addresses all the ways in which copyright restrictions can abridge freedom of speech.

The considerations that made "further First Amendment scrutiny * * * unnecessary" in *Eldred*, 537 U.S. at 221, are absent here, and that decision lends no support to the claim that the boundary between public domain and copyright status is not itself one of the important "traditional contours" protecting free speech. Indeed, accepting the Government's argument would mean that the limited protections Section 514 provides for "reliance parties" are constitutionally irrelevant, because the statute indisputably leaves fair use and the idea/expression dichotomy undisturbed. On this understanding, a law that simply commanded immediate destruction of any works lawfully created with public domain materials would trigger no meaningful First Amendment scrutiny.

C. "Restoration" Does Not Vindicate Any Countervailing First Amendment Right

The Government has posited that Section 514 should be understood not as an abridgment of Free Speech, but as a balancing of competing First Amendment interests and, at least obliquely, that countervailing First Amendment rights of authors favor upholding Section 514. *See* Br. in Opp. 20 (invoking "the constitutionally recognized freedom not to speak"); *id.* at 23 n.12 (citing *Harper & Row*, 471 U.S. at 559).

This is wrong: although the Court in *Harper & Row* suggested an affinity between unapproved copying of an author's words and the constitutional shield against government-compelled expression, 471 U.S. at 559, that analogy, offered in a case involving interference with the right of first publication – of the author's memoir – has great potential to mislead. "No one has a First Amendment right to be the only speaker of certain words." Rubenfeld, 112 YALE L. J. at 29.

Other private speakers' use of authors' words is not the same thing as a governmental requirement that "limits what [authors] may say []or requires them to say anything." *Rumsfeld v. FAIR, Inc.*, 547 U.S. 47, 60 (2006), and "when it comes to preventing others from copying these books, filming them, or writing sequels to them, the copyright holder has only statutory rights, not First Amendment rights." Rubenfeld, 112 YALE L. J. at 29.[12]

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[12] The works restored by Section 514 were published in the United States and abroad, rendering *Harper & Row's* solicitude for pre-publication rights inoperative here.

As explained above, under the Copyright Clause, (eventual) loss of this sort of control is not merely a risk, but a certainty – indeed a constitutional command. And fair use gives preferential treatment for immediate "critic[al]" uses of an author's words that are likely to be especially unwelcome, 17 U.S.C. § 107, and statutory licenses prescribed in Title 17 likewise drastically restrict a creator's control over a work once published.[13] *Cf.* Curtis Bradley & Jack Goldsmith, *Treaties, Human Rights, and Conditional Consent*, DUKE L. FAC. SCHOLARSHIP PAPER 1177 (2000) (noting United States's First-Amendment-based refusal to implement restrictions on "hate speech" prescribed in international agreements).

Finally, while *Eldred* noted that an author familiar with relevant history "would reasonably comprehend" the statutory quid pro quo to include protection under later-enacted extensions, 537 U.S. at 214-15, the authors whose works are restored would have had no expectation that public domain status would or could be undone. The 1909 Act, in effect at the time most were created, made clear that "any work which has fallen into the public domain cannot be copyrighted," *see supra*, p. 12,, and permanence was understood then – and before and after – to be definitional. (Of course, if

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[13] The statutory license for musical compositions, for example, means that a songwriter cannot prevent a recording of her song once it has been published. 17 U.S.C. § 115. Of course, the rights conferred by Section 514 are not limited to authors and may be enforced by "rightsholders" who are successors of long-deceased speakers.

encouragement or overcoming chill had anything to do with the statute, it is odd that similarly-situated American authors, especially those whose works entered the public domain for failure to renew, would be excluded).

III. THE COURT SHOULD ENSURE THAT ITS DECISION PROMOTES NATIONALLY UNIFORM RULES GOVERNING THESE WORKS' COPYRIGHT STATUS

In considering this case, the Court should take account of an important intervening development that is, in many ways, intertwined with Section 514. The same year that Congress's restoration was to go into effect, the Ninth Circuit issued the first of two decisions, *Twin Books*, 83 F.3d at 1162, and *Guino*, 549 F.3d at 1184, that embraced a startlingly novel understanding of which foreign works were and were not in the public domain in the absence of the "restoration" Section 514 sought to effect (and which ones it would "restore"). In those cases, the Ninth Circuit established, through judicial interpretation, a regime similar in some respects to the one Congress enacted in 1994 – where works effectively in the public domain could obtain copyright protection decades later. The Ninth Circuit's understanding of public domain status is, of course, inconsistent with that advanced in this brief. But it is also irreconcilable with the premises underlying the 1994 Act, which saw belated acquisition of copyright status to be consequential enough to require special provisions for reliance parties. We would urge the Court explicitly to acknowledge here these serious, fundamental defects, but if it does not do so, it should take care that its disposition not be interpreted as giving tacit approval to this

"untenable" regime. *See* 3 MELVILLE B. NIMMER & DAVID NIMMER, NIMMER ON COPYRIGHT § 4.01[C][1] (2011) (criticizing *Twin Books* as, among other things, "wrong-headed," "perverse[]," and "untenable").

In *Twin Books*, the Ninth Circuit, straining to uphold rights claimed to be derived from a 1954 renewal, held that a book first published abroad in 1923 without the copyright notice required under the 1909 Copyright Act was entitled to protection based upon a second publication in Germany, this time with proper U.S.-required notice, three years later (thereby rendering timely the renewal 28 years after that). To support that decision, the Ninth Circuit resorted to reasoning other courts and commentators have derided: (1) that the 1923 publication in Germany had not released the work to "the public domain in the United States" – and therefore did not "preclude the author from subsequently obtaining copyright protection in the United States" – but *also* (2) that during the 1923-1926 time period, "anyone could have sold the * * * book in the United States." 83 F.3d at 1168.

"[N]o court before or since has suggested that a work could be freely copied in the United States, but somehow not be in the public domain in the United States." Tyler T. Ochoa, *Protection for Works of Foreign Origin Under the 1909 Copyright Act*, 26 SANTA CLARA COMPUTER & HIGH TECH. L.J. 285, 307 (2010); *see also* David Nimmer, *An Odyssey Through Copyright's Vicarious Defenses*, 73 N.Y.U. L. REV.

162, 172-73 (1998) (suggesting *Twin Books*' analysis is "patently absurd").[14]

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[14] Although the *Twin Books* court seemed to be groping toward a rule that would treat foreign publication as entirely irrelevant, that rationale "would have contradicted a century of precedent." Ochoa, 26 SANTA CLARA COMPUTER & HIGH TECH. L.J. at 303 (citing EATON S. DRONE, A TREATISE ON THE LAW OF PROPERTY IN INTELLECTUAL PRODUCTIONS IN GREAT BRITAIN AND THE UNITED STATES 295-96 (1879) ("[T]here can be no doubt that * * * an author forfeits his claim to copyright in this country by a first, but not by a contemporaneous, publication of his work abroad."); and *Tribune Co. v. Associated Press*, 116 F. 126, 128 (N.D. Ill. 1900)).

Nor can *Twin Books* be justified as a kind of free-floating equitable adjustment for foreign authors. The authors there (and in this case) would not have expected U.S. copyright law to treat them on par with, let alone better than, their American counterparts. *See* SAM RICKETSON & JANE C. GINSBURG, INTERNATIONAL COPYRIGHT AND NEIGHBORING RIGHTS: THE BERNE CONVENTION AND BEYOND § 1.20 at 19 (2d ed. 2005) ("[Most countries] did not regard the unauthorized exploitation of foreign works as either unfair or immoral."). Indeed, as Professor Ochoa observes, the 1909 Act's requirements of U.S. *printing* were likely intended to effectively limit U.S. copyright to works published first or simultaneously here. *See* 26 SANTA CLARA COMPUTER & HIGH TECH. L.J. at 291-92 & nn.34-35, 310 & nn.148-49. Moreover, any modern intuition against forfeiture based on failure to comply with statutory "formalities" cuts deeply against the grain of U.S. copyright history, including this Court's first landmark copyright decision, *Wheaton v. Peters*, 33 U.S. 591, 665 (1834). *See generally* Sprigman, 57 STAN. L. REV. at 485.

The improbable reasoning of *Twin Books* was extended – and given broad and incongruous practical effect – in *Guino*, where a work published abroad in 1917 was held, on authority of *Twin Books*, ineligible for restoration under Section 514, because it was not in the public domain (never having emerged from the *Twin Books* twilight state), but entitled instead to a full "life plus 70" term under a provision of the 1976 Act, 17 U.S.C. § 303, extending protection, commencing January 1, 1978, to works then "not in the public domain or copyrighted." *See Guino*, 549 F.3d at 1187-90. Indeed, *Guino* adhered to the *Twin Books* interpretation after expressly acknowledging that a work published abroad – without notice – "millennia ago" would not be treated as in the public domain. *Id.* at 1190; *see also id.* (noting that "the reasoning of *Twin Books* can be, and has been, criticized").

But as the history of the 1976 Act statute makes plain, the language of Section 303 was not meant to align it with the odd "copyright limbo" the *Twin Books* court would fashion two decades later – but instead to protect then-*unpublished* works, consistently with the epochal shift wrought by the 1976 Act from publication-based to "fixation"-based copyright. Directly contrary to the *Twin Books* rule, Congress understood that all *published* works were either "copyrighted" or "in the public domain." *See* Ochoa, 26 SANTA CLARA COMPUTER & HIGH TECH. L.J. at 307-08 ("The notion that there were works that had been published, but were neither in the public domain nor copyrighted, simply did not exist in the minds of the legislature.").

The *Twin Books* regime differs from Section 514's in that it works an even sharper break with

tradition: it lacks congressional imprimatur; it shows even less concern for those who lawfully use public domain works; and it sows disagreement and uncertainty as to which works are subject to protection under Section 514. The *Twin Books* rule, indeed, is so extreme that the Court might find it constitutionally deficient (as well as statutorily erroneous) even if it were to rule for the Government on the constitutional power questions. But however the Court resolves those questions, it should take care not to allow the widely disuniform treatment of similar cases to persist – and should, at the least, take care to avoid even a tacit endorsement of the Ninth Circuit's idiosyncratic and irretrievably flawed rule.

Even before the Ninth Circuit's destabilizing decision, the question of foreign publication without notice had generated disagreement. Some authorities interpreted the 1909 Act as placing such works in the public domain, *see, e.g.*, 2 STEPHEN P. LADAS, THE INTERNATIONAL PROTECTION OF LITERARY AND ARTISTIC PROPERTY § 324, at 698 (1938) ("[N]o person is entitled to claim statutory copyright under the Act, unless, when first publishing the work abroad or in the United States, he has affixed the statutory notice."), and the Copyright Office has long agreed, 37 C.F.R. § 202.2(a)(3) (2007), an approach Congress embraced unambiguously in the 1976 Act (but modified in 1989). By contrast, the Second Circuit in *Heim v. Universal Pictures Co.*, 154 F.2d 480 (2d Cir. 1946), viewed publication without notice abroad as triggering U.S. copyright protection.

But the distance between these competing approaches is nothing beside the wide expanse dividing both from the *Twin Books* regime. Both

rules – like Section 514, but not the Ninth Circuit's rule – accept the essential public domain/protected dichotomy, without creating a third category.[15] Moreover, although they do not always produce identical results, both rules, unlike the Ninth Circuit's, make ascertaining public domain status (relatively) straightforward: Publication abroad without U.S. copyright notice either initiates public domain status or starts the copyright term, so publication dates determine both public domain status and eligibility for restoration (with earlier-published works in the permanent public domain and not restored under either).

In contrast, the *Guino* decision produces greater uncertainty and greater copyright protection for some older foreign works. It gives rise to terms of protection that start decades after a work is created and published, leading to situations where the work does not enter the public domain in the Ninth Circuit until 100 years after it would under the Second Circuit rule, and 130 years later than under the rule the Copyright Office identified as correct.[16]

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[15] Recognizing the public domain's permanence, the *Twin Books* court carefully avoided calling the twilight copyable-but-also-copyrightable status by that name, *see* 83 F.3d at 1166 ("[A] publication of a work in the United States without the statutory notice of copyright fell into the public domain, *precluding forever any subsequent copyright protection of the published work*.") (emphasis added).

[16] For Google and others, the safest course in response to this confusion and conflict with respect to older foreign works is to err on the side of caution – thereby giving the court that has taken the most grudging view of what falls

It also denies parties who made use of the work after 1917, as *Twin Books* assured they lawfully could, even the limited protection the 1994 Act provides for reliance parties.

A decision granting petitioners judgment on their constitutional claims would necessarily indict the Ninth Circuit's *Twin Books* rule. As just explained, while the "restoration" effected by the 1994 Act was at least plainly intended by Congress, the Ninth Circuit's decision rests on a textually implausible and self-contradictory interpretation of a prior statute that contains not a hint of authority for a "limbo" status (and in fact supports the inviolability of the public domain), nor for preferential treatment of works by foreign authors first published outside the United States.

Even if the Ninth Circuit cases were not so manifestly infirm on conventional statutory interpretation grounds, the failure to provide even minimal protection for parties who created derivative works or otherwise exploited works during the decades they were, on the Ninth Circuit's own reasoning, subject to lawful copying makes its regime more constitutionally deficient than even the one before the Court. Thus, if the Court were to affirm the decision below and hold that the public domain is not entirely impregnable, it should take care to disclaim endorsement of these flawed lower court decisions.

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within the public domain an effective veto over courts whose decisions are manifestly more legally sound.

CONCLUSION

The judgment of the court of appeals should be reversed.

Respectfully submitted,

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AMICUS CURIAE BRIEF

No. 10-545

In The Supreme Court of the United States

LAWRENCE GOLAN, et al.,

Petitioners,

v.

ERIC H. HOLDER, JR., et al.,

Respondents.

On Writ Of Certiorari To The United States Court Of Appeals For The Tenth Circuit

BRIEF OF HEARTLAND ANGELS, INC. AS AMICUS CURIAE IN SUPPORT OF PETITIONERS

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TABLE OF CONTENTS

Page

Table of Contents i

Table of Authorities ii

Interest of Amicus Curiae 1

Overview of the Investment Process 2

Summary of the Argument 5

Argument 6

I. Section 514 Undermines Investor Confidence In Industries That Rely On Copyright By Removing Works From The Public Domain And Transgressing The Traditional Boundaries Of Copyright 6

A. Section 514 Undermines Investor Confidence By Breaching The Copyright Bargain 7

B. Section 514 Alters The Traditional Contours Of Copyright And Chills Free Expression 14

Conclusion 16

APPENDIX

ROI Probability Charts ..... App. 1

TABLE OF AUTHORITIES

Page

CASES

Buckley v. Valeo, 424 U.S. 1 (1976) 15

Campbell v. Acuff-Rose Music, Inc., 510 U.S. 569 (1994) 8

Dam Things from Denmark v. Russ Berrie & Company, Inc., 290 F.3d 548 (3rd Cir. 2002) 10

Eldred v. Ashcroft, 537 U.S. 186 (2003) 14

Fogerty v. Fantasy, Inc., 510 U.S. 517 (1994) 9

Graham v. John Deere Co. of Kansas City, 383 U.S. 1 (1966) 9

Harper & Row Publishers, Inc. v. Nation Enterprises, 471 U.S. 539 (1985) 8, 14

Scandia House Enters., Inc. v. Dam Things Establishment, 243 F.Supp. 450 (D.D.C. 1965) 10

Sony Corp. of America v. Universal City Studios, Inc., 464 U.S. 417 (1984) 9

Twentieth Century Music Corp. v. Aiken, 422 U.S. 151 (1975) 8, 9

OTHER AUTHORITIES

Hubbard Decision Research, *Applied Information Economics: A New Method for Quantifying IT Value* (2004) 4

Jessica Litman, *The Public Domain*, 39 EMORY L.J. 965 (1990) 8

TABLE OF AUTHORITIES – Continued

Page

Viva R. Moffat, *Mutant Copyrights and Backdoor Patents: The Problem of Overlapping Intellectual Property Protection*, 19 BERKELEY TECH. L.J. 1473 (2004) 7

Tyler T. Ochoa, *Origins and Meanings of the Public Domain*, 28 U. DAYTON L. REV. 215 (2003) 8

Joan Verdon, *Russ Berrie Gives Up Fight to Make Troll Dolls; Gift Maker Settles Dispute with Danish Company*, THE RECORD, March 5, 2004 10

S. Mark Young, James J. Gong, and Wim A. Van Der Stede, *The Business of Making Movies*, STRATEGIC FINANCE, Feb. 2008 14

Heartland Angels, Inc. ("Heartland Angels"), a corporation formed in 2003 under the laws of the State of Illinois, files this brief of *Amicus Curiae* in support of Petitioners with the consent of the parties as provided for in the Rules of this Court.[1]

INTEREST OF AMICUS CURIAE

Heartland Angels is a private equity organization that seeks out small companies in the early stages of development for the purpose of investment. Heartland Angels follows a formal analytical process to determine whether to provide capital to a target company and continuously reviews new target companies to determine whether it will make additional investments. As part of this process, Heartland Angels considers the future anticipated licensing costs of the target company. These anticipated future licensing costs are calculated by analyzing the portfolio of works being used by a target company – a portfolio consisting of both works original to the target company and works residing in the public domain. The recapture of works in the public domain by copyright owners, as permitted by Section 514 of the Uruguay Round Agreements Act ("URAA"), increases the

[1] Pursuant to Supreme Court Rule 37.6, *Amicus* states that no counsel for a party authored this brief in whole or in part and that no person or entity other than *Amicus* and its counsel contributed monetarily to the preparation or submission of this brief.

anticipated future licensing costs of target companies. In addition, Section 514 creates an atmosphere of uncertainty with regard to the commercial use of works in the public domain. This increase in uncertainty can cause Heartland Angels to decline to make an investment which it otherwise would have made. For this reason, Heartland Angels has a direct interest in resolution of the question of whether the Constitution withholds power from Congress to remove works from the public domain as it has done through Section 514 of the URAA.

OVERVIEW OF THE INVESTMENT PROCESS

Like any Intellectual Property investment firm, Heartland Angels follows a defined process when deciding whether or not to invest capital in a target company. The key to this decision is the potential Return on Investment ("ROI") – the percentage of money gained in excess of the amount of money spent. The goal when investing in a target company is to increase the value of the target company to sell the shares purchased after a certain amount of time. A target company is sought after for the capital gains which can be realized upon liquidation of the investment, not dividends that can be earned in a set time.

When evaluating a target company, Heartland Angels considers several factors to determine whether it is likely to realize a positive ROI. The primary factor is the net present value of the target

company ("NPV"). To determine the NPV, Heartland Angels sets a timeframe for when it anticipates liquidating its shares in the target company – typically five years. Heartland Angels then projects forward the amount of revenue and increase in assets and asset value over the set timeframe for the target company. Heartland Angels then subtracts from this amount all projected costs and any expected decrease in assets or asset value over the set timeframe for the target company. This net projected amount is then discounted for inflation and the time value of money. The end result of these calculations is the NPV.

The purpose of the NPV is to determine the current market price of the target company per share. Once Heartland Angels makes an investment in a target company, it then works with the target company to increase the overall value of the company over the chosen timeframe: The greater the increase in value of the target company over the initial NPV, the greater the ROI. By way of illustration, if a target company has a NPV of $1.00 per share at the time of investment and Heartland Angels is able to grow the value of the target company to $2.00 per share at the time of liquidation then Heartland Angels has realized a ROI of 100%.

No ROI is ever guaranteed. Heartland Angels reviews the range of possible ROIs as a probability distribution. See Figure 1 at App. 1. Heartland Angels determines each possible ROI and then assigns to this ROI a probability of realizing this specific ROI.

The result is a probability distribution such as Figure 1. In each case, Heartland Angels compares the risk of loss (negative ROI) against the chance of realizing a gain (positive ROI).

The ultimate decision which Heartland Angels must make is whether the expected return is enough to justify taking the predetermined and quantified risk. Heartland Angels collects relevant information to determine all uncertainties to improve its investment decisions. The process that Heartland Angels follows can be described in the following way: Information reduces uncertainty; less uncertainty improves decisions; better decisions result in more effective actions; effective actions improve profit. Hubbard Decision Research, *Applied Information Economics: A New Method for Quantifying IT Value* (2004). With more information and more accurate information, Heartland Angels can calculate the expected ROI with greater accuracy. Heartland Angels also analyzes the probability that it will realize a negative ROI. See Figure 2 at App. 1. As Figure 2 shows, as the likelihood of negative ROI increases, the amount of expected ROI must increase to justify the initial investment. For any given ROI, there is a limit to the amount of risk an investor is willing to bear. If the risk of a negative ROI is too great then no investment will be made. This is displayed as the "Company's investment limit." This limit will vary for any given company depending on that company's investment strategy and risk tolerance.

An increase in any cost for the target company will hinder investment by Heartland Angels. Heartland Angels makes its decision on whether to invest in a target company by determining its expected ROI and the risk of a negative ROI. If the ROI is great enough to justify the risk (is within the "acceptable region of investment") then Heartland Angels will invest in a company. Should costs for the target company increase, this change has the effect of lowering the projected ROI for Heartland Angels. As on Figure 2, this would move the point of investment horizontally to the left. If this point crosses the barrier to Heartland Angel's investment limit, then Heartland Angels will choose not to invest in the target company. From another point of view, an increase in costs for the target company has the effect of raising the risk of a negative ROI. On Figure 2, this could move the point of investment vertically upward. Again, should the point of investment cross the investment limit, Heartland Angels will not invest in the target company.

SUMMARY OF THE ARGUMENT

Section 514 undermines investor confidence in industries that rely on copyright. Congress breached the copyright bargain established by the Framers of the Constitution under which works that enter the public domain remain there indefinitely for all. Investors have an investment backed expectation that works in the public domain will remain there.

The uncertainty of protection and licensing costs caused by Section 514 raises the risk of loss of investment. This effect causes a decline of investment in the copyright industries and harms the economy.

In addition, Section 514 altered a traditional contour of copyright protection when it permitted works to be removed from the public domain. This alteration chills the freedom of speech that individuals exercise when they invest in the creative arts or use public domain works as a shorthand method of expressing a message.

For these reasons, the judgment below should be reversed.

ARGUMENT

I. Section 514 Undermines Investor Confidence In Industries That Rely On Copyright By Removing Works From The Public Domain And Transgressing The Traditional Boundaries Of Copyright.

Section 514 changed a basic tenet of copyright law which investors have historically relied upon. When works enter the public domain, they have traditionally remained in the public domain. Section 514 violates this fundamental premise of copyright law. Such a fundamental shift undermines investor confidence and hinders investment in copyright industries.

Additionally, Section 514 chills the freedom of speech that individuals exercise when they invest in the creative arts. Congress altered the traditional contours of copyright law with the passage of Section 514 when it annexed a portion of the public domain and transferred title to these new exclusive rights to foreign authors. Individuals rely on public domain works as a shorthand method for expressing themselves. Removing these works from the public domain also hinders an individual's freedom of speech that is exercised when the individual invests in the creative arts. Individuals are now deterred from investing in creative works that rely on the public domain for fear of loss due to the recapture of those works.

A. Section 514 Undermines Investor Confidence By Breaching The Copyright Bargain.

Copyright in the United States is based on a bargain offered by the Constitution itself. Investors rely upon the proper operation of the terms of this bargain to decide whether to invest in companies in industries that rely on use of works within the subject matter of copyright. Even though the law disfavors monopolies, the Constitution gives Congress the power to grant authors nearly exclusive control over their works. Yet, at the same time, the copyright laws that Congress creates must ultimately serve the public good, lasting for only a limited duration. Thus, after a work's copyright expires, it enters the public domain. *See* Viva R. Moffat, *Mutant Copyrights and*

Backdoor Patents: The Problem of Overlapping Intellectual Property Protection, 19 BERKELEY TECH. L.J. 1473, 1485-86 (2004).

To effectuate this bargain, copyright requires a delicate balance between the rights of authors and the benefit given to the public. *See Twentieth Century Music Corp. v. Aiken*, 422 U.S. 151, 156 (1975). Indeed, this balance is precarious, as both over and under protection can disserve copyright's ultimate purpose. *See Campbell v. Acuff-Rose Music, Inc.*, 510 U.S. 569, 599 (1994) (Kennedy, J., concurring). On one hand, the law encourages authors to create works by giving them a marketable right from which they can profit. *Harper & Row Publishers, Inc. v. Nation Enterprises*, 471 U.S. 539, 558 (1985). In doing so, authors continually add to our cultural heritage. *Aiken, supra*, at 156. Then, when copyright expires, as the Constitution requires, the works that these authors create enter the public domain, joining a myriad of works that copyright does not protect, where they are free for anyone to use and/or build upon. *See* Jessica Litman, *The Public Domain*, 39 EMORY L.J. 965, 975-76 (1990).

The public domain is essential to the proper operation of the copyright bargain, and until the enactment of Section 514 there has been a clear dividing line between what the law protects and what it does not. Tyler T. Ochoa, *Origins and Meanings of the Public Domain*, 28 U. DAYTON L. REV. 215, 222 (2003). Accordingly, this Court has repeatedly reassured investors that the public benefit, and not

authors' private interests, is the primary focus of copyright law. *See Sony Corp. of America v. Universal City Studios, Inc.*, 464 U.S. 417, 477 (1984) ("The monopoly created by copyright thus rewards the individual author in order to benefit the public."); *Aiken, supra,* at 156 ("Creative work is to be encouraged and rewarded, but private motivation must ultimately serve the cause of promoting broad public availability of literature, music, and the other arts."); *Fogerty v. Fantasy, Inc.*, 510 U.S. 517, 524 ("The primary objective of the Copyright Act is to encourage the production of original literary, artistic, and musical expression for the good of the public.")

Once a work of authorship enters the public domain, the rights to use and adapt this work vest in members of the general public. In the context of patent law, this Court has stated unequivocally that formerly patented inventions cannot be removed from the public domain. *Graham v. John Deere Co. of Kansas City,* 383 U.S. 1, 6 (1966). To do so would harm the public by reducing the available knowledge that the patent system is designed to foster. Deriving from this same Constitutional source, the public domain of works of authorship is no less deserving of maximum protection and preservation for all.

Unforeseen by the investment community, Section 514 of the URAA breached the copyright bargain, undermining the confidence that investors like Heartland Angels have put in the stability of the public domain and creating an atmosphere in which determining the copyright status of any number of works has become quite uncertain. Knowing exactly where

the boundaries of copyright were, Heartland Angels could negotiate and assess the value of investment confidently without worrying about additional licensing fees or the threat of copyright infringement for uses of public domain works. Section 514, however, shakes this confidence. It makes investment much more difficult for firms like Heartland Angels.

Disputes arising in the aftermath of Section 514's enactment fuel investor uncertainty. For example, in *Dam Things from Denmark v. Russ Berrie & Company, Inc.*, 290 F.3d 548 (3rd Cir. 2002), plaintiff asserted its copyright "restored" by Section 514 to claim infringement by Russ Berrie for producing copies of its Troll Doll designs. Russ Berrie had been safely making dolls using these designs for more than thirty years without any interference, additional licensing fees, or concern about a potential infringement lawsuit. *Id.* at 553. Russ Berrie had every reason to believe its investment-backed expectations that the doll designs were in the public domain were well founded because in 1965, the District Court for the District of Columbia had adjudged these works to be in the public domain and no longer subject to copyright protection in the United States. *Id.* at 543 (*citing Scandia House Enters., Inc. v. Dam Things Establishment*, 243 F.Supp. 450, 453-54 (D.D.C. 1965)). Enactment of Section 514 frustrated Russ Berrie's reliance on the public domain. Having had its public domain rights stripped away by Section 514 and transferred to the plaintiff, Russ Berrie conceded and relinquished its right to make the dolls. Joan

Verdon, *Russ Berrie Gives Up Fight to Make Troll Dolls; Gift Maker Settles Dispute with Danish Company*, THE RECORD, March 5, 2004, at B03.

In an uncertain environment like this, in which a company can be sued at any time, even after decades of safely using a supposedly public domain work, investors rightly are deterred from investments that rely on the public domain. When investors cannot predict with any degree of certainty where the limits of copyright begin and end, logic often counsels investors to avoid the copyright market altogether. What is more, the safe harbor and reliance provisions that the law offers are inadequate to truly protect investors. The threat of unpredictable litigation is a significant deterrent; one year of safety for reliance parties or required licensing fees for derivative works are not enough to assuage the concerns that unpredictable restoration of public domain works creates.

This breach of the copyright bargain has affected Heartland Angels directly. Heartland Angels considers the increase in licensing costs of a target company when determining whether to place an investment. This increase in licensing costs for use of recaptured works has the effect of lowering any expected ROI. Likewise, Heartland Angels considers the possibility of future licensing costs for works which may be recaptured in the future. This possibility of future licensing costs has the effect of raising the risk of a negative ROI.

Heartland Angels also considers whether a target company may itself recapture the copyrights to works in the public domain, thus increasing licensing revenue. However, a large percentage of the time no increase in revenue is measured for two reasons. First, a target company is very unlikely to own any work which may be recaptured. Second, the number of public domain works used by a target company, which may be recaptured by others if Congress has the power to authorize such recapture, and the licensing costs associated, far exceed any works the target company itself may recapture.

After taking these costs and probabilities for future costs into account, Heartland Angels will often find itself in a position beyond its investment limit. Hence, Heartland Angels will find itself in a situation where it likely would have placed an investment in a target company had it not been for Section 514. Heartland Angels has placed investments in several companies in various industries, including food ingredients, medical services, healthcare products, thermal management, and nano materials. It has reviewed several target companies whose primary business was content distribution for both video and audio. To date, Heartland Angels has not invested in any target company operating in the copyright industries. It has an interest in investing in the copyright industries but because of the uncertainty created by Section 514 has decided that the unknown risk of fees and costs are too great to justify investment.

Under normal circumstances, Heartland Angels would be able to utilize insurance to hedge against this unknown risk. For instance, it can purchase insurance that mitigates the cost of patent litigation. The insurance plan may or may not relate to the validity of the patent. Such insurance coverage allows Heartland Angels to protect an investment from future claims and losses due to patent infringement. However, unlike insurance products in the patent system, there is no insurance offering that would allow Heartland Angels to hedge against losses caused by the recapture of works from the public domain. Thus, Heartland Angels lacks a basic insurance tool which would enable it to hedge against these potential risks under normal circumstances.

For these reasons, Section 514 undermines the investment-backed expectation that works in the public domain will remain there for all. Section 514 does nothing but create confusion about the status of copyright ownership and disrupt the foundational bargain upon which the copyright system was founded. Investors operate under the assumption that copyright lasts for a certain amount of time, and when it expires, those works are free. Change of this fundamental premise by Congress has shaken investor confidence, dampening investment at a time when it is sorely needed.

B. Section 514 Alters the Traditional Contours of Copyright and Chills Free Expression

The public domain has been a crucial part of the copyright bargain since its beginnings. With Section 514, however, Congress altered copyright's traditional boundaries. In doing so, it has chilled free expression by preventing investors from contributing capital to copyright industries and exercising their freedom of expression.

A copyright law may violate the First Amendment's free speech guarantees if it alters the "traditional contours of copyright law." *Eldred v. Ashcroft*, 537 U.S. 186, 221 (2003). The clear line between private ownership and the public domain is certainly one of those traditional contours. Since its earliest days, copyright has made a clear distinction between what is protected and what is freely available to the public. Indeed, The Framers of the Constitution intended the public domain to be an "engine of free expression." *Harper & Row Publishers, supra,* 471 U.S. at 558. Its contents are the very building blocks of expression. Thus, the free availability of the public domain is essential to expression.

Today, copyright industries are big business and investors are an integral part to the expression of many new works. Consider the motion picture industry. In 2006, the average cost of a major studio film was $100.3 million. S. Mark Young, James J. Gong, and Wim A. Van Der Stede, *The Business of Making*

Movies, STRATEGIC FINANCE, Feb. 2008, at 26, 30. Without outside investment, these creative projects simply could not exist. However, once again, investors cannot invest confidently in an environment where they might be subject to litigation for using supposedly unprotected works. But without investment money, new works, like major motion pictures, cannot exist. Thus, this expression could be muffled before it ever gets the chance to be seen.

Moreover, simply the act of investing money itself can be a form of speech. *See Buckley v. Valeo*, 424 U.S. 1 (1976). Investment in the creative arts enables individuals to appoint a representative to express their own viewpoints and ideas. This allows a person to gain an audience that might not be accessible otherwise, to promote an alternative viewpoint which otherwise might not be disseminated, or to state a message in a much more poignant and unforgettable way than they may be able to by themselves. Alone, such a person's own statements may be ignored or forgotten. However, through investment in the arts, groups of individuals can aggregate together, forming critical mass behind a combined message, and can break through the noise to leave a lasting impression.

This mechanism for the exercise of free speech is just as deserving of protection as any other mechanism of appointing a representative to embody a certain point of view. Section 514 altered the traditional contours of copyright established by the Framers – that works should remain in the public domain for all to use. Removal of works from the

public domain has a chilling effect on the exercise of free speech. It steals from citizens a shorthand method of expression. No longer can citizens rely on a public domain work as a placard which expresses their viewpoint. To do so invites the risk of infringement and cost which had been absent prior to Section 514. Therefore, Section 514, by altering the traditional contours of copyright, betrays the intentions of the Framers to create a robust public domain to help drive expression and thus chills free speech.

CONCLUSION

When a private equity company invests in a target company in a copyright industry, it does so with a reasonable investment-backed expectation that public domain works utilized by the target company will remain in the public domain. Section 514, by breaching this bargain of copyright established by the Framers in the Constitution, raises the licensing costs for target companies. This raise in costs lowers the investor's expected ROI and raises the likelihood of a negative ROI, pushing a company beyond its investment limit. Thus, Section 514 hinders the availability of private equity funding to target companies at a time when it is sorely needed.

Section 514 also chills the freedom of expression that individuals enjoy when they fund the creative arts. Investors in the creative arts exercise their freedom of speech by permitting the creative company

to act as a surrogate for their message. The increase in risk of loss caused by Section 514 chills this investment, thus chilling their expression. In addition, removal of a work from the public domain robs individuals of a shorthand method of relaying their message to others in a meaningful way.

For these reasons, this Court should reverse the judgment below.

Respectfully submitted,

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Figure 1[1]

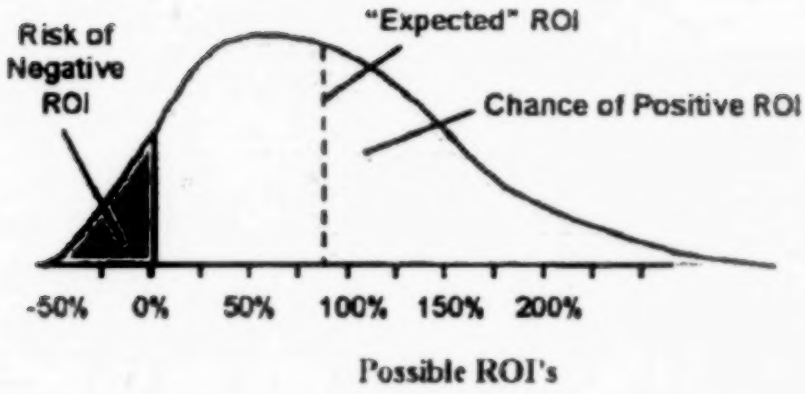

Figure 2[2]

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[1] Figure 1 reproduced from Hubbard Decision Research, *Applied Information Economics: A New Method for Quantifying IT Value* (2004). www.hubbardresearch.com

[2] Figure 2 reproduced from Hubbard Decision Research, *Applied Information Economics: A New Method for Quantifying IT Value* (2004). www.hubbardresearch.com

AMICUS CURIAE BRIEF

No. 10-545

IN THE

Supreme Court of the United States

LAWRENCE GOLAN, *ET AL.*,

Petitioners,

—v.—

ERIC H. HOLDER, JR., ATTORNEY GENERAL, *ET AL.*,

Respondents.

ON WRIT OF CERTIORARI TO THE UNITED STATES COURT OF APPEALS FOR THE NINTH CIRCUIT

BRIEF OF *AMICI CURIAE*, INFORMATION SOCIETY PROJECT AT YALE LAW SCHOOL PROFESSORS AND FELLOWS, IN SUPPORT OF THE PETITIONERS

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TABLE OF CONTENTS

TABLE OF AUTHORITIES iv

INTEREST OF *AMICI CURIAE* 1

SUMMARY OF ARGUMENT 2

ARGUMENT 5

I. The Finality Of Public Domain Status Is One Of The Traditional Contours Of Copyright Law Which Is Essential To Protection Of Free Expression Under the First Amendment. 5

A. The Finality Of Public Domain Status Is A Longstanding Tradition That Can Be Traced To The Framers. 5

1. By Long Tradition, Congress Has Upheld The Finality Of The Public Domain. 6

2. Emergency Exceptions For Wartime Hardship Do Not Contravene Congress's Longstanding Practice Of Disallowing Removals Of Expired Copyrights From The Public Domain. 8

3. Private Copyright Bills Passed By Congress Do Not Undermine Longstanding Traditions Or Support Copyright Restoration. 9

B. The Finality Of Public Domain Status Is An Essential Component Of The Engine Of Free Expression Established By The United States Copyright System 11

1. Copyright's Engine Of Free Expression Consists Of A Three-Stage Life Cycle That Concludes With The Public Domain. 12

a. *Stage I: Creation Of A Work Of Authorship* 13

b. *Stage II: Legal Protection Of A Work* 13

c. *Stage III: Permanent Public Availability Of A Work* 15

2. Retroactive Removal Of Works From The Public Domain Causes Great Harm To Copyright's Engine Of Free Expression. 16

3. Fair Use And The Idea/Expression Dichotomy Cannot Protect Against The Speech Harms Associated With Destruction Of The Finality Of Public Domain Status. . . 20

II. Because Section 514 Radically Alters Copyright Law's Traditional Contours And Supersedes The Court's Role In Interpreting And Applying The Constitution, Strict Scrutiny Is The Required Standard Of First Amendment Review 22

A. Where A Basic Constitutional Privilege Is Undermined, The Court Should Apply Strict Scrutiny. 23

B. Where Congress Alters The Contours And Structure Of Copyright Law In A Way That Endangers Copyright's Engine Of Free Expression, Its Actions Abridge A Basic Privilege Of Free Expression And Must Be Subject To Strict Scrutiny. 26

C. Section 514 Of The URAA Fails Strict Scrutiny. 30

1. Securing The Foreign Copyright Interests Of U.S. Authors Is Not A Compelling State Interest, And Section 514 Is Not Narrowly Tailored To Achieve It. 31

2. Treating Foreign Authors Equally Is Not A Compelling State Interest, And Section 514 Is Not Narrowly Tailored To Achieve It. 34

3. Compliance With The Berne Convention May Be A Significant Interest, But It Is Not A Compelling Interest, And Section 514 Is Not Narrowly Tailored To Achieve That Aim. 36

CONCLUSION 38

TABLE OF AUTHORITIES

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INTEREST OF *AMICI CURIAE*[1]

Amici are Professors and Fellows affiliated with the Information Society Project at Yale Law School (ISP),[2] an intellectual center addressing the implications of new information technologies for law and society. Jack M. Balkin is Knight Professor of Constitutional Law and the First Amendment and the founder and director of the Information Society Project at Yale Law School. Marvin Ammori, a Visiting Scholar at Stanford Law School and a Legal Fellow at the New America Foundation, publishes in First Amendment and Internet policy. Nicholas Bramble, a Lecturer in Law at Yale Law School and a MacArthur Fellow in the Information Society Project at Yale Law School, has written articles on First Amendment law and information policy. Bryan Choi is a Postdoctoral Associate in Law and Kauffman Fellow in the Information Society Project

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[1] No counsel for a party authored this brief in whole or in part, and no person or entity other than *amici* and their counsel made any monetary contribution toward the preparation or submission of this brief. Counsel for the respondents, on April 20, 2011, and counsel for the petitioners, on May 19, 2011, have filed in this Court consent to the filing of amicus curiae briefs in support of either party or of neither party in fulfillment of S. Ct. Rule 37.3. This brief was written by Nicholas Bramble, Lecturer in Law and MacArthur Fellow in the Information Society Project at Yale Law School, Bryan Choi, Postdoctoral Associate in Law and Kauffman Fellow in the Information Society Project at Yale Law School, and Bradley Wilson Moore, Visiting Fellow in the Information Society Project at Yale Law School, under the supervision of the undersigned Senior Fellow of the ISP, Priscilla Smith.

[2] The Professors and Fellows participate in this case in their personal capacity; titles are used only for purposes of identification.

at Yale Law School. Adam Cohen is a Lecturer in Law and Kauffman Fellow in the Information Society Project at Yale Law School.

SUMMARY OF ARGUMENT

By abrogating the rule that works pass permanently into the public domain, Section 514 of the Uruguay Round Agreements Act ("URAA") violates one of the traditional contours of copyright law that serve to balance copyright and freedom of speech. These traditional contours, including the idea/expression distinction, the fair use defense, and limited times, are constitutional privileges that keep copyright law consistent with the requirements of the First Amendment. Congress may not abridge them any more than it could require that defamation for public figure plaintiffs should be governed by a negligence standard instead of the actual malice rule of *New York Times v. Sullivan*. Therefore strict scrutiny should apply.

The permanence of public domain status is a constitutional privilege that is justified both by long tradition and by the logic of the copyright system as an engine of free expression.

Congress's revocation of works from the public domain is unprecedented. Legislative history since the time of the Framers reveals an unbroken congressional practice of preserving the finality of the public domain. Only wars and other exceptional disasters resulting in serious disruptions of communications systems that would unfairly prevent authors from claiming copyrights have warranted deviation from that basic agreement.

Congress has made policy judgments about which works should receive copyright protection, how copyrights are granted and expire, and when works will enter the public domain. But the public domain has never been subjected to this level of congressional manipulation. The contents of the public domain have always been free for all to use without fear that the privilege could be revoked at any time and works made in good faith would suddenly become illegal to publish or perform. The evidence in this case amply demonstrates the free speech harms imposed on creators, publishers, archivists, distributors, and other citizens who have come to rely on free and stable access to public domain works.

The URAA undermines central features of the constitutional arrangements that drive copyright's engine of free expression. That engine of free expression consists of a three-stage life cycle in which works are created, exclusive rights are granted to authors for limited times to incentivize production, and finally works are released permanently into the public domain. The last stage in the life cycle is crucial to copyright's free speech bargain because it allows future creators to make use of public domain material to produce new creations and new innovations. If Congress could take works out of the public domain at its pleasure, these future creative uses would be chilled because authors and artists would never know whether compositions using public domain material would later become contraband. Hence the finality of the public domain, like the idea/expression distinction and the fair use

defense, is a key constitutional privilege protected by the First Amendment.

The parties to this case were incorrect to stipulate that the URAA is content-neutral, and therefore that intermediate scrutiny is the appropriate standard of review. This Court's First Amendment doctrine often uses constitutional privileges, like the actual malice rule of *New York Times v. Sullivan* or the rule of *Brandenburg v. Ohio*, to demarcate zones of free speech protection in areas like defamation or conspiracy law; there, legislatures may justifiably regulate communications because of their content. These constitutional privileges balance important free speech values against interests in social order.

It is for this Court, and not for Congress, to strike this crucial balance. Thus, Congress may not change the actual malice rule because it wishes to balance speech and reputation differently from this Court. So too, Congress may not discard the traditional contours of copyright doctrine such as the idea/expression distinction, or, in this case, the permanent passage of works into the public domain. When Congress attempts to subvert a constitutional privilege that preserves the compatibility of the First Amendment with other areas of law—such as libel, obscenity, and incitement—it attempts to subvert a categorical balance already struck. Hence strict scrutiny should apply.

Section 514 cannot survive strict scrutiny. None of the interests articulated by the government—protecting the interests of American authors abroad, remedying past inequities suffered by foreign authors, and compliance with the Berne

Convention—are compelling. Even if they were, Section 514 is badly drafted to achieve these ends: it either fails to fulfill these goals or burdens far more speech than is necessary to fulfill them.

ARGUMENT

I. The Finality of Public Domain Status Is One Of The Traditional Contours Of Copyright Law That Is Essential To Protection Of Free Expression Under the First Amendment.

In *Eldred v. Ashcroft*, 537 U.S. 186 (2003), this Court held that First Amendment scrutiny is not necessary where Congress has not disturbed the traditional contours of copyright law that protect free speech values. In the present case, Congress has abridged important free speech protective features of copyright. Both the *traditions* of governmental practice dating back to the founding and the basic *logic* of granting exclusive rights for limited times to promote free expression reveal the constitutional significance of the public domain.

A. The Finality Of Public Domain Status Is A Longstanding Tradition That Can Be Traced To The Framers

In *Eldred*, this Court upheld the Sonny Bono Copyright Term Extension Act in part because history revealed "an unbroken congressional practice" of granting retroactive term extensions to existing copyrights. *Id.* at 200. This case is different. Here, history reveals that the URAA transgresses an

equally unbroken congressional practice of preserving the finality of the public domain.

1. By Long Tradition, Congress Has Upheld The Finality Of The Public Domain

The history of copyright legislation in the United States can be traced back to before the ratification of the Constitution. In 1783, acknowledging the need to protect copyright interests but lacking authority to do so, the Continental Congress passed a resolution encouraging the individual states to enact copyright provisions. That resolution recommended issuing copyrights only "to the authors or publishers of any new books *not hitherto printed*." Resolution of May 2, 1783 (emphasis added), *reprinted in* Copyright Office, Copyright Enactments: Laws Passed in the United States Since 1783 Relating to Copyright 1 (1973). Because the resulting patchwork of conflicting state rules proved ineffectual in governing copyright, the framers granted power to Congress to enact a federal copyright regime. *See* The Federalist No. 43, at 272 (James Madison) (Clinton Rossiter ed., 1961).

The Copyright Act of 1790 was the first exercise of Congress's new authority. Consistent with the original resolution of 1783, no works were removed from the public domain. The 1790 Act protected only: (1) works that already enjoyed copyright protection, and (2) works that had not yet been printed or published.

The first clause of Section 1 of the 1790 Act created a federal copyright for authors who "have not transferred to any other person the copyright of [their work]," and to any other persons who "have purchased or legally acquired the copyright of any such [work]." Act of May 31, 1790, 1 Stat. 124. That clause honored legacy copyrights, which was necessary to smooth the transition to a federal copyright system.

The second clause created a federal copyright for authors of works "already made and composed, and not printed or published, or that shall hereafter be made and composed." *Id.* Under that clause, any work that already existed at the time of enactment was copyrightable only if it had not yet been printed or published. In other words, works that had been publicly circulated (and that were not protected by another valid copyright) were in the public domain, and the 1790 Act did not create or restore copyright protection for such works.

The Copyright Act of 1831 likewise upheld the traditional finality of the public domain. The 1831 Act extended the initial term of copyright from 14 years to 28 years. But while Congress applied the 1831 Act retroactively to all works still under copyright protection, it explicitly provided that the Act "shall not extend to any copyright heretofore secured, the term of which has already expired." Act of Feb. 3, 1831, § 16, 4 Stat. 436, 439. The clear message was that the term of a copyrighted work could be extended but not resurrected. That exemption included works that had entered the public domain through failure to comply with requisite formalities, such as failure to record title or

print copyright notice. *See* Eaton S. Drone, *A Treatise on the Law of Property in Intellectual Productions in Great Britain and the United States* 297 (1879).

Similar statements and limitations accompanied subsequent extensions of scope or term. *See* Pet'rs Br. 34-41; *see also* Register's Report on the General Revision of the U.S. Copyright Law 57 (1961) (recommending term extension but assuring readers that the "new law would not, of course, restore protection to works that had gone into the public domain before its effective date").

2. Emergency Exceptions For Wartime Hardship Do Not Contravene Congress's Longstanding Practice Of Disallowing Removals Of Expired Copyrights From The Public Domain

Two exceptions help prove the rule that Congress has traditionally respected the finality of the public domain. In both instances, Congress provided a limited allowance because wartime disruption of international communications prevented foreign authors from complying with the necessary formalities of copyright registration.

First, in 1919, Congress passed a retroactive extension of time to register works published abroad during World War I. Act of Dec. 18, 1919, Pub. L. No. 66-102, 41 Stat. 368. The grace period applied only to foreign works that would have been eligible for copyright protection during that time period, and did

not restore copyright for any works that were otherwise in the public domain.

Second, in the midst of World War II, Congress generalized the hardship exception by providing that the President could grant an extension of time whenever there was a temporary "disruption or suspension of facilities essential for . . . compliance" with the formalities of copyright registration. Act of Sept. 25, 1941, Pub. L. No. 77-258, 55 Stat. 732.

Even if those amendments can be characterized as removing works from the public domain, "they were, at most, a brief and limited departure from a practice of guarding the public domain . . . passed in response to the exigencies of a world war." *Golan v. Gonzales*, 501 F.3d 1179, 1192 (10th Cir. 2007) ("*Golan I*"). Those works would have been rightfully copyrighted but for the emergency of war. By contrast, the URAA extends retroactive protection to works that were never eligible for copyright protection, and to works whose protection expired legitimately through the natural process of law.

3. Private Copyright Bills Passed By Congress Do Not Undermine Longstanding Traditions or Support Copyright Restoration

Nor do the various private bills passed by Congress build a case for disrupting the public domain. While individual petitions to Congress were once common, private bills relating to copyright were seldom granted. Since the founding of this country,

only ten have been approved. *See generally* 1 William F. Patry, *Copyright Law and Practice* 27 n.80 (1994).

Of those ten, four were straightforward extensions of an existing copyright. *See* Act of Feb. 17, 1898, 30 Stat. 1396 (extending the copyright of Judson Jones); Act of Mar. 3, 1843, 6 Stat. 897 (continuing the copyright of John Rowlett); Act of Feb. 11, 1830, 6 Stat. 403 (same); Act of May 24, 1828, 6 Stat. 389 (same). Two addressed petitions to cure errors of noncompliance with the formalities of registration. *See* Act of June 23, 1874, 18 Stat. 618 (imperfect copy deposited); Act of Feb. 19, 1849, 9 Stat. 763 (mistaken venue). Another involved the outright purchase by Congress of a copyright. *See* Act of Aug. 2, 1854, 10 Stat. 810.

In two instances, copyrights were granted to the widows of authors whose books had already been "published under order of Congress." *See* Act of May 24, 1866, 14 Stat. 587; Act of Jan. 25, 1859, 11 Stat. 557. At first glance, they might resemble retroactive copyrights due to the fact of prior publication. But Congress commissioned both publications, thus distinguishing them from ordinary publications. In each case Congress seized the copyrightable interest, temporarily permitted publication for national purposes, and later transferred that interest back to the widow as compensation.

The final private copyright bill, the only one passed in the twentieth century, did attempt to revive copyrights in all editions of the primary religious text of the Church of Christian Science. *See* Act of Dec. 15, 1971, Priv. L. No. 92-60, 85 Stat. 857. The bill was held unconstitutional for violating the

Establishment Clause, and thus no determination was made on the question relevant to this case. *See United Christian Scientists v. Christian Sci. Bd. of Dirs., First Church of Christ, Scientist*, 829 F.2d 1152 (D.C. Cir. 1987). Nevertheless, the court observed that the copyright granted was "far from ordinary," and that there was scant authority for "such a dramatic departure from copyright practice." *Id.* at 1169-70.

B. The Finality Of Public Domain Status Is An Essential Component Of The Engine Of Free Expression Established By The United States Copyright System

This history of protecting the permanence of the public domain is reinforced by the logical operation of copyright law's "engine of free expression." *Harper & Row, Publishers, Inc. v. Nation Enterprises*, 471 U.S. 539, 558 (1985). That engine of free expression operates by coupling exclusive rights for limited times (to incentivize the production of future works) with the eventual and permanent release of works into a public domain where they can be the basis of new creations and innovations. During the first decades of a work's existence, the author reaps the economic rewards of production; after the conclusion of the copyright term, the public enjoys the benefits, and later authors can use these materials free of charge.

This bargain, and the lifecycle of creative works that it establishes, is not accidental or optional; it is essential to copyright's function as an engine of free expression. That is why the

requirement of "limited times" was placed in the Constitution: after the "limited times" are concluded, the work belongs to the public. *See Graham v. John Deere Co.*, 383 U.S. 1, 5-6 (1966) ("Congress may not authorize the issuance of patents whose effects are to remove existent knowledge from the public domain, or to restrict free access to materials already available.").

2. Copyright's Engine Of Free Expression Consists Of A Three-Stage Life Cycle That Concludes With The Public Domain

American copyright law furthers and is made consistent with First Amendment values by moving creative works through a life cycle consisting of three distinct stages. This life cycle of creative work—expression, protection, and public use—is implicit in the Constitution's grant of Congressional power to create copyrights for "limited times." *See Graham*, 383 U.S. at 6 (bar on removing existent knowledge from the public domain is a "standard expressed in the Constitution [that] may not be ignored").

Allowing Congress to disrupt this life cycle by removing works from the public domain would seriously undermine the free-speech-protecting functions of copyright. This disruption would violate the central purpose behind Congress's "limited times" power and would frustrate reliance on the public domain as a source of expressions and ideas for future creation.

Congress may extend *existing* intellectual property protections without disturbing reliance

interests. *See Eldred*, 537 U.S. at 218-19. What Congress may not do is snatch works out of the public domain and thereby make illegal the performance or distribution of creative works produced in reliance on copyright's grand bargain. Absent wartime emergencies, the basic plan of the founders must remain inviolate for copyright to serve its function as an engine of free expression.

a. Stage I: Creation Of A Work Of Authorship

At the first stage of copyright's engine of expression, a prospective author or creator draws upon a variety of prior ideas and expressions, and combines those inputs with new concepts and inspirations to produce a discrete output—a work of authorship. Many of these prior ideas and expressions come from the public domain, which is a crucial source of material for future expression.

b. Stage II: Legal Protection Of A Work

Once a work has been created, Congress may confer on its authors exclusive rights to protect and exploit its value. These rights fuel the engine of innovation by providing appropriate incentives to produce additional works. Authors are able to recoup the costs of production by requiring compensation from others who wish to use or perform the work. In addition, copyright entitlements confer systemic benefits by "free[ing] [authors] from reliance on patronage and cultural hierarchy." Neil Netanel, *Copyright and a Democratic Civil Society*, 106 Yale L. J. 283, 364 (1996).

In earlier copyright regimes, the second stage of a work's life cycle began only after registration; today, the second stage begins at the moment of fixation. *See Eldred*, 537 U.S. at 217. Congress's power under the Copyright Clause includes the power to design formalities and other eligibility requirements that authors must satisfy in order to obtain or retain U.S. copyright protection. Past examples have included registration with the Copyright Office, submission of copies of the work, publication of copyright notice, application for renewal terms, and restriction by country of production. In setting such eligibility requirements, Congress is setting forth its judgment that the optimal term of protection for noncompliant works is zero years. Such works shall, upon publication, pass directly through the second stage of copyright's engine of free expression and into the third stage, the public domain.

While Congress may alter these eligibility requirements at any time, it may not bestow retroactive eligibility upon a work that has already entered the public domain. Eligibility requirements are designed to create clear rules for obtaining and renewing copyright protection and to draw clear distinctions between works that are subject to copyright protection and those that are not. Once the opportunity for copyright protection has passed, the copyright system does not give authors a second bite at the apple.

c. *Stage III: Permanent public availability of a work*

A work enters the final stage of its life cycle when it becomes part of the public domain.[3] The public domain holds some of the most central and hallowed relics of Western culture—including the Bible and Shakespeare's plays. Becoming part of the public domain means that works are available for all to use. New creators have the chance to use, distribute, contextualize, modify, and improve upon previous public domain work without asking permission. *See Dastar Corp. v. Twentieth Century Fox Film Corp.*, 539 U.S. 23, 33-34 (2003) ("[O]nce the . . . copyright monopoly has expired, the public may use the . . . work at will and without attribution."). The public domain ensures that new authors can draw upon a vast inventory of works as inputs for new expression and innovation.

Before a work enters the public domain, free speech rights to use the work are limited in order to create incentives for production. After the work enters the public domain, however, full free speech

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[3] Traditionally, authors' ownership and ability to control publication of their works ended after publication. *Wheaton v. Peters*, 33 U.S. 591, 658 (1834), and any published material was privileged for all to use. The Copyright Act of 1790 created a new limited right to control works after initial publication, but otherwise preserved the privilege to use materials after the expiration of that limited period. *Id.* at 661; *see also* Neil Netanel, Copyright's Paradox 83 (2008) ("[A]t the Founding copyright law served the goal of disseminating knowledge as much by providing for an exceedingly limited scope, duration, and subject matter of copyright protection as by the grant of exclusive rights itself.").

rights are restored to the public. This feature, along with other doctrines like fair use and the idea/expression distinction, *see Eldred*, 537 U.S. at 219-21, is crucial to maintaining the balance between copyright and the First Amendment.

3. Retroactive Removal Of Works From The Public Domain Derails Copyright's Engine of Free Expression

Both history and constitutional logic justify the finality of public domain status in the American system of copyright law. If Congress could revoke this finality whenever it liked, real harms will occur to a wide range of groups and creators engaged in artistic expression. Although these harms may not look significant when taken individually, the collective threat to free speech values that they pose is the erosion of longstanding conventions that have allowed the First Amendment and the Progress Clause to work harmoniously together.

Permanent entry of works into the public domain after "limited times" have expired is central to the free speech bargain. Most works of authorship contain "much which is old and well known, mixed up with something which perhaps is new, peculiar, and original." 2 Joseph Story, *Equity Jurisprudence* § 940 (8th ed. 1861). If public domain status were temporary, or could be revoked at the pleasure of Congress, then authors who use public domain works to build new creations could be stripped at any time of the right to perform and distribute those new works. Such instability would discourage people from using the public domain to speak and create new

works, because they could never be certain whether works were genuinely free for the public to use and how their use of the public domain would affect their rights down the road. This would undermine the very point of releasing works into the public domain: increasing the free availability of inputs into speech and creative activity.

Perhaps more troublingly, giving Congress the ability to snatch works out of the public domain would leave authors unable to determine whether their creative labors and their artistic expression will be made *retroactively* illegal to perform or distribute. For example, if Congress were to remove Shakespeare's plays or Jane Austen's novels from the public domain, then any books, plays, music, or recordings that extensively reused quotations, characters, or plotlines from those works could become contraband. Presumably the Ex Post Facto Clause would prevent criminal liability for works created before Congress changed the rules. But the Ex Post Facto Clause does not apply to civil litigation, *see Smith v. Doe*, 538 U.S. 84 (2003), and authors who had used Shakespeare's or Austen's works in good faith could be subjected to a civil regime of damages that nevertheless results in ruinous liability.

Preventing retroactive civil liability or creating a grace period, as the URAA does, 17 U.S.C. § 104A(d)(2)(A), is insufficient protection. All prospective uses or performances of works using formerly public domain materials would trigger significant civil penalties. The authors and users of this speech would henceforth be prohibited from performing or distributing their own works—works

that they had full First Amendment rights to create, perform, or distribute before Congress changed the rules. Archival efforts, machine-learning projects, Internet search tools, and other aggregative uses of public domain works would be thrown into disarray, particularly those that generate multiple copies of such works and enable others to add layers of additional information atop a given work. Encouraging people to use public domain materials, and then later making those uses illegal, strikes at the very heart of copyright's bargain and raises the most serious First Amendment concerns.

Accordingly, the longstanding rule for public domain works has been that once a work enters the public domain, it remains there permanently. This rule is so intuitive and so inherent in the concept of a public domain that it seldom rises to the level of conscious articulation. *See* 4 David Nimmer, *Nimmer on Copyright* § 18.06[C][1] (2010) (describing Congress's "shatter[ing]" of "the long-standing practice of refusing to resurrect works from the public domain" through passage of the URAA). Just like the doctrines of fair use and the idea/expression distinction, the permanence of the public domain is integral to the copyright system. It is an essential element of copyright's engine of free expression and "an affirmative manifestation of copyright's democracy-enhancing principles." Netanel, *Copyright and a Democratic Civil Society*, *supra*, at 363. The public domain functions as a crucial stopgap measure that prevents reappropriation of works by former owners once the works have crossed a recognized threshold.

The founders could have arranged for the limited times requirement to operate in a different manner—for instance, through case-by-case determinations of when works would enter the public domain—but such a process would likely be subject to abuse and might raise free speech concerns of its own. Instead, Congress implemented copyright law in a straightforward fashion: works travel through a three-stage lifecycle concluding with permanent entry into the public domain. That decision involved a series of policy judgments: it clearly prioritized protecting settled expectations and making it easy to determine who owns—and does not own—property in artistic creations.

If Congress were permitted to renew the copyright of works after their copyrights had already expired, the basic system of logical tradeoffs underlying copyright's engine of free expression would be subject to piecemeal redesign. Powerful interests would lobby to reclaim ownership of public domain works with little regard for the systemic goals of copyright law. No constitutional principle would stand in the way of propertizing more and more of the public domain after the fact. Layer upon layer of special interests would corrode the engine of free expression, and its performance would eventually suffer.

The facts of this case show just how such a regime creates bad incentives and significant public choice problems. As a general matter, performers, archivists, and resellers are diffuse and poorly organized; they are therefore unlikely to be able to monitor, much less influence the details of international treaty negotiations. Copyright holders

with large portfolios have concentrated interests: far more resources and much stronger incentives to attempt to influence such proceedings. If plucking works out of the public domain is constitutionally permissible, increasing amounts of the public domain may someday be reclaimed, for the defenders of Section 514 offer no limiting principle to prevent this result. But the constitutional purpose of the finality of the public domain is to ensure that petitioners such as Golan need *not* anticipate the possibility that a faraway treaty negotiator will bargain away their rights of artistic expression and essential conditions of their economic livelihoods. The First Amendment, like other constitutional protections, exists precisely to compensate for such failures in the democratic process. *See United States v. Carolene Products*, 304 U.S. 144, 152 n. 4 (1938).

4. Fair Use And The Idea/Expression Dichotomy Cannot Protect Against The Speech Harms Associated With Destruction Of The Finality Of Public Domain Status

Fair use and the idea/expression dichotomy by themselves are insufficient to protect against the speech harms associated with destruction of the finality of public domain status. *See* David S. Olson, *First Amendment Interests and Copyright Accommodations*, 50 B.C. L. Rev. 1393, 1403-04 (2009). These doctrines protect free speech values during the first two stages of the three-stage life cycle; but both fail to adequately guard against piecemeal deterioration of the third stage. Neither

the fair use defense nor the idea/expression dichotomy would permit petitioners to continue performing works in their entirety and creating derivative interpretations.

Moreover, both doctrines may protect the use of only a small portion of a given work. *Golan I*, 501 F.3d at 1195. The idea/expression dichotomy offers no refuge, as it extends only to the "idea[s], theor[ies], and fact[s] in a copyrighted work," and not to the work itself. *Eldred*, 537 U.S. at 219. Similarly, the scope of fair use is limited by an inquiry into whether a "reasonable copyright owner [would] have consented to the use." *Harper & Row*, 471 U.S. at 550. The public domain extends beyond that narrow scope and enables a wide variety of complete and unforeseen uses—such as Ron Hall's small business built on selling classic and foreign films—that are not tethered to the agenda or expectations of a "reasonable copyright holder." *Cf. id.*

There is an additional problem: fair use is structured "as an affirmative defense requiring a case-by-case analysis." *Harper & Row*, 471 U.S. at 561. The ad hoc form of the defense limits the ability of speakers to rely upon it as a systematic bulwark against efforts by copyright owners to diminish speech privileges. *See* Jessica Litman, *Reforming Information Law in Copyright's Image*, 22 U. Dayton L. Rev. 587, 612 (1997). Users and secondary authors cannot simply rely on the existence of fair use; it must be privately litigated based on a different set of facts each time it is invoked.

II. Because Section 514 Radically Alters Copyright Law's Traditional Contours And

Supersedes The Court's Role In Interpreting And Applying The Constitution, Strict Scrutiny Is The Required Standard Of First Amendment Review

Amici agree with Petitioners that Section 514 fails intermediate scrutiny. *See* Pet'rs' Br. 48. However, Section 514 should be subject to strict scrutiny. The traditional contours of copyright—fair use, idea/expression, and limited times—are First Amendment privileges. *See* Yochai Benkler, *Free as the Air to Common Use: First Amendment Constraints on Enclosure of the Public Domain*, 74 N.Y.U. L. Rev. 354, 363 (1999) ("To say that a person is *privileged* to do something is to say that she can do that thing, and that no one can get a court to enlist the government against her."). They represent balances between free speech values and other concerns, which Congress may not eliminate without the strongest justification.

The best analogy is to the rules that shape the laws of defamation, obscenity, and incitement. Although legislatures may devise a wide range of different solutions to those problems, if they abridge key constitutional privileges—like the "actual malice" rule in defamation—their innovations are subject to strict scrutiny. A test of intermediate scrutiny would make it far too easy for Congress to undermine the Court's careful balancing of reputational interests and freedom of expression in the actual malice rule. In the same way, applying intermediate scrutiny to this case would make it too easy for Congress to undermine the traditional

contours of copyright law that balance copyright protections with the First Amendment.

A. Where A Basic Constitutional Privilege Is Undermined, The Court Should Apply Strict Scrutiny

First Amendment doctrine generally prohibits regulations of speech based on viewpoint or content. *See, e.g.*, *Citizens United v. Fed. Election Comm'n*, 558 U.S. 50 (2010); *Ward v. Rock Against Racism*, 491 U.S. 781, 791 (1989).

In some contexts, however, legislatures are free to regulate speech on the basis of content and viewpoint. Defamation law is a good example: defendants can be held liable for falsely saying that "Smith is a liar" but not for falsely saying that "Smith is an honest woman." That distinction is both content- and viewpoint-based. Defamation is one of a number of *communications torts* like fraud, perjury, and invasion of privacy that have this distinctive character: what makes the conduct tortious or criminal is the *content* of what is being said.

In these situations, the Court protects freedom of speech not through a simple ban on content-based regulation but instead through the creation of *constitutional privileges* that balance free speech with governmental interests in restricting speech. In the law of defamation, for example, public figure plaintiffs must prove that defendants have spoken with actual malice. *N.Y. Times Co. v. Sullivan*, 376 U.S. 254, 282 (1964) (describing the speech standard as a "privilege for criticism of official conduct"). Private figure plaintiffs must show at least

negligence and they must show actual malice to receive presumed and punitive damages. *Gertz v. Robert Welch, Inc.*, 418 U.S. 323 (1974). Similarly, in regulating obscenity, legislatures may make many different distinctions based on content and subject matter, but they must not run afoul of the constitutional privileges created by *Miller v. California*, 415 U.S. 15, 23 (1973). Finally, the law of conspiracy and incitement routinely make liability turn on the content of what was said, but legislatures must abide by the rule of *Brandenburg v. Ohio*, 395 U.S. 444, 447-49 (1969), which permits liability only when advocacy of illegal conduct is directed to producing imminent lawless action and is likely to result in such action.

Each of these constitutional privileges strikes a balance between free speech values and societal interests through the creation of categories of protected and unprotected expression. The "actual malice" requirement—which focuses on the plaintiff's status and the defendant's *mens rea*—is the result of the Court's careful balancing of the importance of citizens' contributions to public discourse with the legitimate reputational interests of public figures.

As with the laws of defamation, obscenity, and incitement, copyright law regulates expression and exposes material to liability based on the content of what it expresses. Even fair use, a defense against infringement, exempts various material from liability based on its content, its viewpoint, or the purposes (e.g., educational, charitable) for which it is used. A simple rule *prohibiting* distinctions based on content or viewpoint makes no more sense in

copyright than it does in the law of defamation or obscenity.

As a result, in copyright law, as in defamation law, the Court has struck categorical balances between free speech values and governmental interests. It has protected First Amendment interests through a set of constitutional privileges: these are the "traditional contours" of copyright law that the *Eldred* Court described, e.g., fair use, the idea/expression distinction, and limited times.

Once a given constitutional privilege is identified, legislatures may work within its boundaries by making adjustments and exemptions that are related to the purposes of defamation, obscenity, conspiracy, or copyright law. For example, Congress may seek to determine what forms of defamatory speech are most harmful and should be the most discouraged, while exempting others or creating new defenses. *See R.A.V. v. City of St. Paul*, 505 U.S. 377, 388 (1992) (content-based distinctions of nominally unprotected speech are permissible where "the basis for the content discrimination consists entirely of the very reason the entire class of speech at issue is proscribable"). Nevertheless, if a legislature seeks to abolish the core of the constitutional privilege—in the case of defamation law, to abolish the actual malice rule for public figure plaintiffs and replace it with liability for mere negligence—such a law would be subject to strict scrutiny. Congress may reshape these contours at the margins, but it may not abolish or alter them in a manner that reconfigures the basic constitutional balance. If it does so, its regulations are subject to strict scrutiny.

The reason for subjecting such laws to the Court's strictest standard of scrutiny is simple but essential: "Congress may not legislatively supersede [the Court's] decisions interpreting and applying the Constitution." *Dickerson v. United States*, 530 U.S. 428, 437 (2000); *see also City of Boerne v. Flores*, 521 U.S. 507, 519–20 (1997). Strict scrutiny ensures that when this Court creates a categorical balance that preserves an important constitutional liberty, Congress cannot legislatively supersede this balance under a relaxed standard. Instead, it must justify its regulation by showing that it is narrowly tailored to serve a compelling state interest with no less restrictive alternatives. A lower standard of scrutiny would effectively allow Congress to rewrite First Amendment decisions like *New York Times v. Sullivan* by choosing a different balance between reputation and public debate and asserting that it was justified by an important government interest.

B. Where Congress Alters The Contours And Structure Of Copyright Law In A Way That Derails Copyright's Engine Of Free Expression, Its Actions Abridge A Basic Privilege Of Free Expression And Must Be Subject To Strict Scrutiny

The rules of copyright law, like those developed for libel law, obscenity law and the law of seditious advocacy, require special privileges that balance Congress's interests in regulation against free speech values. As shown earlier in this brief, both tradition and copyright's three-stage engine of

free expression require that works permanently enter the public domain following the "limited times" of copyright protection. The entrance of works into the public domain, and the corresponding right to use such works without seeking permission, is a constitutional privilege of citizens that furthers key First Amendment values.

Although Congress may adjust these basic contours of copyright, it may not substantially alter them, much less abolish them. If it does so, its regulation is subject to strict scrutiny, just like a law seeking to punish incitement inconsistent with the rule of *Brandenburg v. Ohio*. Section 514 abridges the traditional privilege of permanent use of the public domain; therefore strict scrutiny applies.

It is instructive to compare what Congress did in enacting Section 514 with the must-carry rules upheld in this Court's decision in *Turner Broadcasting System, Inc. v. F.C.C.*, 520 U.S. 180 (1997). Unlike defamation law, telecommunications law generally involves structural regulation designed to promote goals like innovation or the free flow of information, but it ordinarily does not regulate on the basis of content or viewpoint. The Court regarded the must-carry rules as a structural regulation designed to ensure that cable companies treat broadcast companies fairly and to prevent Americans from losing the benefits of on-air broadcasting. As Justice Breyer's concurrence explained, ensuring "diverse and antagonistic" sources of information necessary to democracy was not a direct regulation of content, but an indirect regulation of industry structure. *Id.* at 226-27 (Breyer, J., concurring). No equivalent constitutional privilege like that in *New*

York Times v. Sullivan was implicated or abridged. Because the Court was faced with a structural regulation of time, place, and manner, intermediate scrutiny applied.

Section 514 of the URAA bears little resemblance to the statute upheld in *Turner*. Section 514 is not a structural regulation of the publication industries that seeks to increase the total number of voices and promote the wide dissemination of information. Instead, Section 514 seeks to shut down free access to works and limit the dissemination of information to a wider audience. It undermines the free speech bargain that makes copyright effective as an engine of free expression, and it violates a traditional feature of copyright law that dates back to the founding. Accordingly, a higher standard of constitutional scrutiny is necessary.

A comparison of Section 514 with the statute upheld in *Eldred v. Ashcroft* is similarly informative. In *Eldred*, the Court found that temporal adjustments to an existing term of copyright did not substantially alter copyright's basic contours, so long as those temporal adjustments did not transform copyright into "a forever thing." 537 U.S. at 209 n.16. *Eldred* thus concerned a pragmatic question over *when* an item should finally and permanently enter the public domain. The Court held that Congress could resolve that pragmatic question so long as the basic concept of "limited times" was respected. *Id.* at 205, 208. Congress had made a number of laws extending the duration of copyright in a manner consistent with the traditional contours of copyright law, and it could continue to do so.

Section 514 of the URAA, on the other hand, involves no such questions of pragmatic balancing or historical continuity. Unlike the Copyright Term Extension Act, which regulates the length of existing copyright protection, Congress has used Section 514 to make a law restricting speech in an area where no laws had previously been made. *See Golan I*, 501 F.3d at 1193 (noting that *Eldred* plaintiffs never "possessed unfettered access" to the works in question). The effects of Section 514 bear little similarity to the incremental change that occurs when Congress lengthens or reduces an existing term of a copyright. Rather, Section 514 regulates a domain of speech that heretofore had been wholly shielded from the enforcement of exclusive private rights.

The extension of *existing* copyrights does not undermine reliance interests in the same way that Section 514 does. The CTEA may have frustrated authors' future expectations as to when a particular work would enter the public domain and become eligible for free use without licenses or liability. By contrast, Section 514 threatens the legal status of works that authors *have already created* using public domain materials and in reliance on the enduring legality of using those materials. Whereas CTEA frustrated future hopes, Section 514 changes the rules after creation has already occurred and after the game has already been played.

By removing works from the public domain, Section 514 violates the traditional contours that have governed copyright from the nation's inception and upsets the balance of interests forged since the founding; it abridges the justified interests and

settled expectations of people who have made and who wish to make creative works from materials that have already entered the public domain. As such, courts should treat Section 514 just like a law that imposes strict liability for defaming a public figure, or a law that bans the advocacy of violent action against the government without requiring any showing of incitement of imminent lawless action.

Where Congress has abrogated a longstanding constitutional privilege, the Court must do more than simply balance the rights of affected speakers against the interests of Congress. The balance has already been struck through the creation of the constitutional privilege. Therefore the law must be held invalid, or, at the very least, strict scrutiny must apply.

C. Section 514 Of The URAA Fails Strict Scrutiny

If strict scrutiny applies, then the government must show that Section 514 of the URAA advances a compelling state interest, and that it is narrowly tailored to achieve that purpose. *Sable Commc'ns of Cal., Inc. v. F.C.C.*, 492 U.S. 115, 126 (1989). The government has asserted that the speech restrictions imposed by Section 514 are justified by three separate interests: (1) protecting the interests of American authors abroad; (2) remedying past inequities suffered by foreign authors in the United States; and (3) compliance with the Berne Convention. None of those interests meet the requirements of strict scrutiny.

1. Securing The Foreign Copyright Interests Of U.S. Authors Is Not A Compelling State Interest, And Section 514 Is Not Narrowly Tailored To Achieve It

Amici agree with Petitioners that "[f]ar from being an important interest," the goal of promoting the rights of U.S. copyright holders abroad is "not even a legitimate purpose." Pet'rs' Br. 49.

As an initial matter, the government is incorrect in asserting that U.S. authors have a First Amendment interest in controlling their works abroad. Only once has this Court even suggested ("arguendo") the possibility of applying the First Amendment abroad. *See Haig v. Agee*, 453 U.S. 280, 308 (1981). But that case involved an effort by the U.S. government to suppress the speech of a U.S. citizen living abroad, not to protect his speech.

By contrast, the claim in this case is that there is a First Amendment right to control speech under the laws of *foreign* countries. That claim is controversial at best. *See Yahoo! Inc. v. La Ligue Contre Le Racisme Et L'Antisemitisme*, 433 F.3d 1199, 1226 (9th Cir. 2006) ("Yahoo! is necessarily arguing that it has a First Amendment right to violate French criminal law . . . . [T]he very existence of such an extraterritorial right under the First Amendment is uncertain."). It certainly is not compelling.

The only viable interest that the government has in securing foreign copyrights for U.S. authors is economic. But this Court has never found private

economic aims sufficiently compelling to justify abridgement of protected speech. It is rare for such interests to even be asserted, let alone affirmed. *See, e.g.*, *Lewis v. Colorado Rockies Baseball Club, Ltd.*, 941 P.2d 266, 276 (Colo. 1997) ("[T]he economic interests of the Rockies are not an appropriate consideration at the 'significant government interest' stage of a free speech analysis."). Instead, interests that have been found sufficiently compelling are those that advance public concerns. *See, e.g.*, *Holder v. Humanitarian Law Project*, 130 S. Ct. 2705, 2724 (2010) (combating terrorism); *Buckley v. Valeo*, 424 U.S. 1, 45 (1976) (preventing corruption and the appearance of corruption in elections).

Even if the private economic interest of U.S. authors were exceptional, Congress failed to advance sufficient evidence to "adequately explain" how Section 514 of the URAA would serve that interest. *Eu v. San Francisco County Democratic Central Comm.*, 489 U.S. 214, 226-29 (1989); *see also Edenfield v. Fane*, 507 U.S. 761, 773 (1993) (requiring restriction on speech to serve articulated interest in a "direct and effective way"). Very little evidence presented before Congress indicated that the URAA would be able to fulfill its promise. This Court should not allow the government to "sacrifice First Amendment protections for so speculative a gain." *Columbia Broad. Sys., Inc. v. Democratic Nat'l Comm.*, 412 U.S. 94, 127 (1973); *see also Consol. Edison Co. v. Pub. Serv. Comm'n*, 447 U.S. 530, 543 (1980) ("Mere speculation of harm does not constitute a compelling state interest.").

The evidence before Congress consisted of aspirational, conclusory, and conflicting statements.

One witness testified that the URAA would "increase the leverage available to the U.S. to protect [domestic] industries." GATT Intellectual Prop. Provisions: Joint Hearing Before the Subcomm. on Intellectual Prop. & Judicial Admin. of the H. Comm. on the Judiciary & the Subcomm. on Patents, Copyrights and Trademarks of the S. Comm. on the Judiciary, 103d Cong. 340 (1994) [hereinafter Joint Hearing]. A representative of the Recording Industry Association of America asserted that "the Russians simply said . . . that they will interpret their obligations . . . in exactly the same manner the United States interprets its obligations," *id.* at 291, but offered no evidence to indicate Russia would actually pass such a law. Meanwhile, another witness stated more pragmatically that there "is absolutely no guarantee that [foreign nations] are stupid enough to adopt the reliance-party provisions you are being asked to adopt . . . unless we engage in trade-tactic arm twisting." *Id.* at 231.

None of the evidence showed that Congress's gambit—sacrificing reliance parties' speech interests so that other countries would accede to U.S. copyright demands—would likely succeed. As the District Court observed, there "appears to be an assumption that Section 104A will encourage other countries to limit the rights of reliance parties, despite . . . having no obligation to do so under the Berne Convention." *Golan v. Holder*, 611 F. Supp. 2d 1165, 1175 (D. Colo. 2009). Even if it were possible for Congress to show that protecting U.S. copyright interests abroad is a compelling state interest, it failed to do so. The government has not set forth

evidence that would justify deference. *See Sable Commc'ns*, 492 U.S. at 129.

The absence of substantial evidence before Congress also means that Section 514 cannot be narrowly tailored. When there are no "findings concerning the actual effects" of a regulation, a court cannot conduct a proper inquiry into whether a law is narrowly tailored, because it cannot determine whether speech burdened by the law was unnecessarily suppressed. *See Turner*, 512 U.S. at 667-68; *see also Eu*, 489 U.S. at 228-29.

Moreover, Section 514 burdens a disproportionately large amount of speech—in order to secure foreign copyright interests, it need not burden the speech of citizens as to works that rightsholders will never claim—and thus fails to satisfy strict scrutiny on a third independent ground. *See Simon & Schuster, Inc. v. Members of the N.Y. State Crime Victims Bd.*, 502 U.S. 105, 120-21 (1991).

2. Treating Foreign Authors Equally Is Not A Compelling State Interest, And Section 514 Is Not Narrowly Tailored To Achieve It

Promoting the financial interests of foreign authors is even less compelling than promoting the financial interests of domestic authors. In the first place, the government's interest lies in "protecting the health, safety, and welfare of its citizens," *Rubin v. Coors Brewing Co.*, 514 U.S. 476, 485 (1995), not in guaranteeing reciprocity to foreign citizens. Unless

issues of national security are at stake, the government should not be trading the constitutionally protected rights of domestic groups to foreign groups.

Furthermore, the interest itself is disingenuous. Giving retroactive economic rights to foreign authors was merely the bargaining chip with which Congress hoped to obtain its real objective: protection for U.S. copyright holders abroad. Equitable treatment for foreigners was not an actual interest of the government in enacting Section 514. The Court must consider Congress's actual purposes in enacting a statutory scheme. *See Weinberger v. Wiesenfeld*, 420 U.S. 636, 648 & n.16 (1975).

Even if Congress has a compelling interest in holding the rights of foreigners above the rights of its own citizens, it could have achieved that aim in a less restrictive manner. Most notably, Congress could have set a limited window of time for foreign authors to claim their retroactive copyrights, after which point all unclaimed works would remain permanently in the public domain. *See* Joint Hearings at 277 (Statement of Larry Urbanski). That process would have been fair because it mirrors the temporary window of time that was available to register those copyrights in the first instance. But indefinite eligibility restricts speech in ways that are unnecessary and unintended. Although unclaimed foreign works remain in the public domain, they are too risky for domestic authors to use: the residual claim could make derivative works illegal at any time, and of course no one can license or sell unclaimed works. Thus the URAA deters the use of works that could have been made available without

restriction for public use under an alternative statute that restricts less speech. *See Sable Commc'ns*, 492 U.S. at 129.

3. Compliance With The Berne Convention May Be A Significant Interest, But It Is Not A Compelling Interest, And Section 514 Is Not Narrowly Tailored To Achieve That Aim

The goal of maintaining good international relations creates valid incentives for the government to comply with international conventions. But that is a far cry from demonstrating that compliance with a specific treaty is a compelling interest. *See Boos v. Barry*, 485 U.S. 312, 324 (1988) ("[T]he fact that an interest is recognized in international law does not automatically render that interest 'compelling' for purposes of the First Amendment analysis."); *see also Bullfrog Films, Inc. v. Wick*, 847 F.2d 502, 512 (9th Cir. 1988) ("[T]he existence of a treaty does not by itself justify . . . violation[s] of the First Amendment."). The government must demonstrate that the execution of the particular international agreement at issue rises to the level of a compelling interest; it cannot simply rely on generic claims of treaty compliance.

In this case, the government has not shown that the international consequences of noncompliance with the Berne Convention are of higher priority than the speech that is being deterred and threatened by Section 514 of the URAA. Perhaps national security interests could satisfy that criterion, but no such issues are presented here.

Here, the purpose of treaty compliance has been purely one of international trade, i.e., promoting the interests of American authors in foreign countries through the retroactive award of domestic copyright to foreign authors. Neither of those interests is compelling alone, as discussed above, and they are not more compelling in conjunction.

Even if this Court deems the promotion of international trade to be more compelling than the protection of free speech, Section 514 suppresses far more speech than required for compliance with the Berne Convention. Amici concur with the reasons provided by Petitioners, that (1) the government could have negotiated accommodations protective of First Amendment rights; (2) the government could have provided stronger protections for parties with reliance interests; and (3) the government could have adopted the "rule of the shorter term" and protected "first sale" rights. *See* Pet'rs' Br. 54-61.

In addition to those reasons, the Berne Convention does not require the restoration of copyrights for works that have already received a term of protection under U.S. copyright law. Article 18 of the Berne Convention addresses works that have "fallen into the public domain of the country where protection is claimed"—here, the United States—"through the expiry of the term of protection which was previously granted," and states that such works "shall not be protected anew." Berne Convention, art. 18(2). Nevertheless, the URAA authorizes restoration of copyright specifically for works that have entered the public domain through "failure of renewal." 17 U.S.C. § 104A(h)(6)(C)(i). The recapture of such works, which necessarily received

an initial term of protection, "would seem *not* to be required under the terms of the Berne Convention." Nimmer on Copyright § 9A.06 (2010).

CONCLUSION

The Court should reverse the judgment below and remand the case with instructions to enter judgment for petitioners.

Respectfully submitted,

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AMICUS CURIAE BRIEF

No. 10-545

In The
Supreme Court of the United States

LAWRENCE GOLAN, et al.,

Petitioners,

v.

ERIC H. HOLDER, JR., et al.,

Respondents.

On Writ Of Certiorari To The United States Court Of Appeals For The Tenth Circuit

BRIEF OF *AMICUS CURIAE* INTELLECTUAL PROPERTY OWNERS ASSOCIATION IN SUPPORT OF RESPONDENTS

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TABLE OF CONTENTS

TABLE OF AUTHORITIES iii

STATEMENT OF INTEREST 1

INTRODUCTION AND SUMMARY OF THE ARGUMENT 2

ARGUMENT 4

I. TRIPS and the Berne Convention Require the United States to Provide Copyright Protection for Works that Are Protected in the Country of Origin Unless the Term of Protection Has Expired 4

II. Section 514 of the URAA Serves an Important Governmental Purpose to Protect the Interests of the United States and the American Public Abroad 7

A. The Precedent Set by the WTO with Respect to the U.S. Fairness in Music Licensing Act Suggests that Similar Action Will Be Taken if Section 514 of the URAA Is Struck Down 9

B. The WTO Has Demonstrated Its Willingness to Allow Foreign Countries to Use Cross-Retaliation Measures that Target Intellectual Property Interests, Harming the U.S. Public 12

C. The United States Has Availed Itself of the WTO Dispute Resolution Process with Respect to TRIPS, an Option that Could Be Seriously Undermined if the United States Is Out of Compliance with TRIPS 16

CONCLUSION 19

APPENDIX — MEMBERS OF THE BOARD OF DIRECTORS OF THE INTELLECTUAL PROPERTY OWNERS ASSOCIATION 1a

TABLE OF AUTHORITIES

CASES

Golan v. Holder, 609 F.3d 1076 (10th Cir. 2010) 8, 11

CONSTITUTIONAL PROVISIONS

U.S. CONST. art. I, § 8, cl. 8 2

STATUTES

17 U.S.C. § 104A 5-7

17 U.S.C. § 110(5) 9-10

Berne Convention Implementation Act of 1988, Pub. L. No. 100-568, 102 Stat. 2853 (1988) 4

Fairness in Music Licensing Act, Pub. L. No. 105-298, 112 Stat. 2830 (1998) 9

Uruguay Round Agreement Act, Pub. L. No. 103-465, 108 Stat. 4809 (1994) ..... *passim*

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Kate Ackley, *Tiny Antigua Roils U.S. IP*, ROLL CALL: VESTED INTERESTS, Nov. 7, 2007 13

Agreement on Trade-Related Aspects of Intellectual Property Rights 3, 5, 9, 16-17

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Melville B. Nimmer and David Nimmer, NIMMER ON COPYRIGHT 5

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World Trade Organization, Decision by the Arbitrators, *United States – Measures Affecting the Cross-Border Supply of Gambling and Betting Services*, WT/DS285/ARB (Dec. 21, 2007) 13

World Trade Organization, Decision of Arbitrator, *United States – Subsidies on Upland Cotton*, WT/DS267/ARB/1 (Aug. 31, 2009) 14

World Trade Organization, Disputes by Agreement 18

World Trade Organization, Notification of a Mutually Satisfactory Temporary Agreement, *United States – Section 110(5) of the US Copyright Act*, WT/DS160/23 (June 26, 2003) 10

World Trade Organization, Notification of Mutually Agreed Solution, *European Communities-Regime for the Importation, Sale and Distribution of Bananas*, WT/DS27/58 (July 2, 2001) 13

World Trade Organization, Notification of Mutually Agreed Solution, *Japan – Measures Concerning Sound Recordings*, WT/DS28/4 17

World Trade Organization, Panel Report, *United States-Section 110(5) of the US Copyright Act*, WT/DS160/R (June 15, 2000) 9-10

World Trade Organization, Status Report by the United States, Addendum, *United States-Section 110(5) of the US Copyright Act*, WT/DS160/24/Add.78 (June 7, 2011) 10

STATEMENT OF INTEREST[1]

The Intellectual Property Owners Association (IPO), established in 1972, is a trade association for owners of patents, trademarks, copyrights, and trade secrets. With over 200 member companies and 12,000 individuals active in IPO's various committees, publications, and educational efforts, IPO is the only association in the United States that serves all intellectual property owners in all industries and across all fields of technology. The members of IPO's Board of Directors, which approved the filing of this brief, are listed in the Appendix.

IPO has no interest in any party to this litigation nor does IPO have a stake in the outcome of this case *per se*, other than its interest in seeking a correct and consistent interpretation and administration of the law on behalf of its members. IPO respectfully submits this *amicus* brief in support of Respondents.

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[1] Pursuant to Rule 37.6, *amicus curiae* certifies that no counsel for a party authored this brief in whole or in part and that no person or entity, other than *amicus*, its members, or its counsel, has made any monetary contribution to the preparation or submission of this brief. The parties have filed letters with the Clerk of the Court providing blanket consent to the filing of *amicus* briefs.

INTRODUCTION AND SUMMARY OF THE ARGUMENT

Petitioners have styled their argument as a contest between the alleged private benefits created by Section 514 of the Uruguay Round Agreement Act and the alleged corresponding harm to the public. Pet'rs Br. 45-51. Specifically, they argue that Section 514—which allows foreign copyright owners to revive lapsed U.S. copyrights, just as they are able to revive lapsed copyrights in other countries—creates private economic advantages while at the same time disadvantaging the public. Pet'rs Br. 49.

This purported distinction relies on the false premise that what is helpful to foreign copyright owners must be detrimental to the American public generally. The American public, however, benefits when the United States complies with its treaty obligations. In the global e-commerce economy, the free flow of goods and ideas depends on mutual and reciprocal respect for the rights and interests of all entities that create and disseminate works, thereby enhancing the "Progress of Science and useful Arts." U.S. CONST. art. I, § 8, cl. 8. Section 514 protects a vital national interest by extending protections to foreign copyright owners that the United States has, by treaty, promised to provide, in large part to ensure that American copyright owners receive reciprocal rights abroad. Repudiating Section 514 might yield short-term advantages for some, namely those who have begun to exploit lapsed works and

who must then stop doing so or pay royalties when the copyright is restored under Section 514's provisions. But failing to uphold the U.S. treaty obligations embodied in Section 514 threatens to undermine the long-term public interest in several profound ways.

If Section 514 were struck down: (1) the United States would face costly World Trade Organization (WTO) challenges for violations of the WTO's Agreement on Trade-Related Aspects of Intellectual Property Rights (TRIPS); (2) the WTO could (as it has before) approve cross-retaliation measures that target U.S. intellectual property interests, thereby threatening U.S. economic interests that go far beyond copyright matters; and (3) the American public would suffer because the U.S. government would lack an effective tool for persuading other nations to extend and enforce intellectual property rights. Under any standard of review, including the "intermediate standard" proposed by Petitioners, these serious consequences outweigh any short-term benefits to those that may wish to subordinate America's international treaty obligations to their private pecuniary interests.

ARGUMENT

I. TRIPS and the Berne Convention Require the United States to Provide Copyright Protection for Works that Are Protected in the Country of Origin Unless the Term of Protection Has Expired

The United States joined the Berne Convention for the Protection of Literary and Artistic Works (Berne Convention) in 1989. Sept. 9, 1886 S. Treaty Doc. No. 99-27, 1161 U.N.T.S. 3 (last revised July 24, 1971). Article 18 of the Berne Convention requires member countries to protect works that have not fallen into the public domain in their country of origin due to expiration of the term of copyright and whose copyright term has not expired in the country where protection is claimed. Examples would include works in the public domain in the United States due to lack of national eligibility, failure to comply with statutory formalities, or lack of subject matter jurisdiction. For some works, the Berne Convention thus required the United States to provide retroactive copyright protection for works that had fallen into the public domain in the United States for reasons other than expiration of their copyright term. When implementing the Berne Convention, however, the United States declined to extend copyright protection to works already in the public domain in the United States. *See* Berne Convention Implementation Act of 1988, Pub. L. No. 100-568, § 12, 102 Stat. 2853, 2860 (1988). There was little impact to the United States' refusal to comply with the retroactive copyright

protections required by Article 18 of the Berne Convention because the Berne Convention lacked an effective enforcement mechanism for noncompliance. *See* 4 Melville B. Nimmer and David Nimmer, NIMMER ON COPYRIGHT § 18.05[A][2] (2011).

In 1994, the United States signed several trade agreements as part of the Uruguay Round (1986-1994) of the General Agreement on Tariffs and Trade (GATT). To comply with TRIPS and the other agreements that came out of the Uruguay Round, Congress enacted the Uruguay Round Agreement Act (URAA) in 1994. Pub. L. No. 103-465, 108 Stat. 4809, 4976 (1994) (amending 17 U.S.C. §§ 104A & 109). Section 514 of the URAA addressed the requirement that the United States, as a member of the Uruguay Round, comply with Article 9 of TRIPS, which in turn requires compliance with Articles 1-21 of the Berne Convention, with the exception of Article 6bis related to moral rights. *Id.*; TRIPS, art. 9.

Section 514 of the URAA "restored" copyrights in foreign works that are protected in their country of origin but fell into the public domain in the United States. 17 U.S.C. § 104A(h)(6)(C). Section 514 only restores copyrights for foreign holders when: (1) the work remains protected under the laws of the country in which the work was originally created or published, and (2) the work is within the copyright term the work would have enjoyed if the work was originally created or published in the United States.

17 U.S.C. § 104A(a)(1)(B) and (h)(6)(B). Restoration does not extend the term of protection—a restored copyright expires on the same day as if the work had been protected from the time of its initial creation or publication.

Unlike the Berne Convention, the TRIPS Agreement includes an effective enforcement mechanism. *General Agreement on Tariffs and Trade (GATT): Intellectual Property Provisions: Joint Hearing Before the Subcomm. on Intellectual Property and Judicial Administration of the H. Comm. on the Judiciary and the Subcomm. on Patents, Copyrights, and Trademarks of the S. Comm. on the Judiciary on H.R. 4894 and S. 2368*, 103d Cong. 136-37 (1994) (*Joint Hearing*) (statement of Ira S. Shapiro, General Counsel, Office of the U.S. Trade Representative) ("[T]he [Berne] Convention does not provide a meaningful dispute resolution process....The WTO Agreement, however, includes effective dispute settlement procedures that apply to the TRIPs agreement. It is likely that the other WTO members would challenge the current U.S. implementation of Berne Article 18 under those procedures.").

While working to comply with its obligations under TRIPS and the Berne Convention with passage of the URAA, Congress also recognized that other parties may have relied on the lapse of copyright protection for certain works before copyright protection for these works was restored.

To address this concern, Section 514 of the URAA provides protections for these reliance parties who exploited restored foreign works prior to the restoration of their copyrights. 17 U.S.C. § 104A (d)(2)-(4). The details of the protections afforded to reliance parties have been extensively briefed by the parties and are therefore not repeated here. *See* Pet'rs Br. 9; Resp'ts Br. 6-7, 41-42.

Taking into account both U.S. treaty obligations and the interests of reliance parties, Section 514 is a measured and balanced approach to complying with U.S. obligations under TRIPS. This balance between the rights of the foreign author and the U.S. reliance party represents an equitable compromise, allowing the United States to comply with TRIPS and further U.S. interests on a wide variety of trade issues, while at the same time protecting parties such as Petitioners.

II. Section 514 of the URAA Serves an Important Governmental Purpose to Protect the Interests of the United States and the American Public Abroad

Section 514 of the URAA was enacted in response to past, and in anticipation of future, concerns regarding the protection of U.S. works abroad. As the Tenth Circuit recognized, "Congress had substantial evidence from which it could reasonably conclude that the ongoing harms to American authors were real and not merely conjectural. Around the globe, American works were

being exploited...without providing compensation." *Golan v. Holder*, 609 F.3d 1076, 1086 (10th Cir. 2010) (*Golan IV*). In particular, as both the Tenth Circuit and Petitioners recognized, prior to the enactment of the URAA, "[s]ome...countries, such as Thailand and Russia, [had] refused to protect U.S. works in the public domain in their territory citing the U.S. interpretation of Berne Article 18 as justification." *Id.* at 1086-87 (quoting *Joint Hearing* at 137 (statement of Ira Shapiro)). *See also* Pet'rs Br. 7.

The threats to U.S. interests abroad due to U.S. noncompliance with the TRIPS Agreement and the Berne Convention are no less important now. Since the URAA was enacted, the WTO has demonstrated effective enforcement against TRIPS violations, just as was anticipated at the time of enactment of the URAA. As discussed below, the WTO has allowed countries to take retaliatory measures against the United States for violating other WTO agreements. Additionally, the United States risks retaliatory and/or reciprocal treatment by other countries if it fails to provide retroactive copyright protection for works that fell into the public domain other than through the expiration of their copyright terms, as required by TRIPS and Article 18 of the Berne Convention.

A. The Precedent Set by the WTO with Respect to the U.S. Fairness in Music Licensing Act Suggests that Similar Action Will Be Taken if Section 514 of the URAA Is Struck Down

In 1999, the European Communities and their member states (the EC) brought a WTO action against the United States over the Fairness in Music Licensing Act (FMLA), Pub. L. No. 105-298, 112 Stat. 2830 (1998). *See* World Trade Organization, Panel Report, *United States-Section 110(5) of the US Copyright Act*, ¶¶ 1.1, 2.1, WT/DS160/R (June 15, 2000), *available at* http://www.wto.org/english/tratop_e/dispu_e/1234da.pdf (Panel Report). The FMLA, codified in Section 110(5) of the U.S. Copyright Act, provides an exemption for small businesses, relieving them of the requirement to pay royalties to copyright holders for public performances of radio or satellite transmissions. *See* 17 U.S.C. § 110(5).

The EC believed that Section 110(5) was incompatible with Article 9.1 of the TRIPS Agreement because it "cause[d] prejudice to the legitimate rights of copyright owners," specifically, the exclusive right of authorizing public performance of works and any communication to the public of the performance of their works. *See* Panel Report, ¶¶ 3.1, 6.17-6.19. The WTO ultimately agreed and recommended that the United States bring subparagraph (B) of Section 110(5) of the Copyright Act into conformity with its obligations under TRIPS.

Id. at 7.1, 7.2; *see also* 17 U.S.C. § 110(5)(B). As a result, the United States agreed to make a taxpayer-funded, lump-sum payment of $3.3 million to a fund set up to assist members of performing rights societies in the EC while working to resolve the dispute. *See* World Trade Organization, Notification of a Mutually Satisfactory Temporary Agreement, *United States – Section 110(5) of the US Copyright Act*, WT/DS160/23 (June 26, 2003), *available at* http://trade.ec.europa.eu/doclib/docs/2003/november/tradoc_114303.pdf. Years later, the United States continues to search for a permanent resolution to the problem. *See* World Trade Organization, Status Report by the United States, Addendum, *United States-Section 110(5) of the US Copyright Act*, WT/DS160/24/Add.78 (June 7, 2011), *available at* http://trade.ec.europa.eu/doclib/docs/2011/june/tradoc_147988.pdf.

Just as with the URAA, while lawmakers were drafting the FMLA, intellectual property experts warned Congress that passing what became the FMLA amendment would invite WTO challenges to Section 110(5). *Music Licensing in Restaurants and Retail and Other Establishments, Hearings on H.R. 789 Before the Subcomm. on Courts and Intellectual Property of the House Comm. on the Judiciary*, 105th Cong., 1st Sess. (1997). These experts included Marybeth Peters, then-Register of Copyrights, who testified: "Allowing virtually every business to play music to its customers through loudspeakers or

audiovisual devices would invite a difficult case against the United States for violating our TRIPS obligations." *Id.* at 32. Bruce A. Lehman, Under Secretary of Commerce for Intellectual Property and Director of the United States Patent and Trademark Office, also told lawmakers he was "seriously concerned" that the nation's trading partners would accuse the United States of violating its international commitment to TRIPS. *Id.* at 44.

Given this precedent of the WTO imposing penalties for failing to comply with TRIPS in the past, the United States will likely face challenges if Section 514 of the URAA is overturned. WTO members are certain to bring claims before the WTO for U.S. noncompliance with Article 18(1) of the Berne Convention if Section 514 of the URAA is struck down, and the United States falls out of compliance with the requirements of Article 18 of the Berne Convention. *See Golan IV*, 609 F.3d at 1089 (noting that past conduct may be the best evidence in making predictive judgments). Moreover, given the fact that no final resolution of the FMLA dispute was ever reached, countries are likely to insist on far greater penalties than those imposed in the FMLA dispute with the EC.

B. The WTO Has Demonstrated Its Willingness to Allow Foreign Countries to Use Cross-Retaliation Measures that Target Intellectual Property Interests, Harming the U.S. Public

The WTO has also authorized countries to retaliate against American intellectual property interests to force U.S. compliance with other international trade laws. The WTO's willingness to take such a dramatic step—even when the underlying dispute is completely unrelated to intellectual property—underscores the threat of serious intellectual property-related sanctions against the United States when its compliance with TRIPS is, in fact, at issue.[2]

The WTO first authorized cross-retaliation against a Member's intellectual property in 2000, siding with Ecuador in its dispute with the EC over trading practices that discriminated against Ecuadorian bananas. *See* World Trade Organization, Decision by the Arbitrators, *European Communities – Regime for the Importation, Sale and Distribution of Bananas – Recourse to Arbitration by the European Communities Under Article 22.6 of the DSU*, WT/DS27/ARB/ECU (Mar. 24, 2000) (permitting Ecuador to suspend certain intellectual

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[2] When the WTO determines that an international trade violation has occurred, sanctions against the violating country typically correspond with the underlying infraction. But on three occasions described here, the WTO granted member countries permission to cross-retaliate against the violator's intellectual property protections.

property protections from works originating in EC member states), *available at* http://www.worldtrade law.net/reports/226awards/ec-bananas(226)(ecuador). pdf. Similar cross-retaliation was permitted a second time in 2007 when Antigua successfully challenged a U.S. law prohibiting the cross-border supply of online gambling services. *See* World Trade Organization, Decision by the Arbitrators, *United States – Measures Affecting the Cross-Border Supply of Gambling and Betting Services*, WT/DS285/ARB (Dec. 21, 2007), *available at* www.wto.org/english/ tratop_e/dispu_e/285arb_e.doc. Such unrelated cross-retaliations are permitted so that countries with large economies—like the United States and the countries in the European Union—have a greater incentive to comply with the demands of smaller, developing countries. *See, e.g.*, Kate Ackley, *Tiny Antigua Roils U.S. IP*, ROLL CALL: VESTED INTERESTS, Nov. 7, 2007, at 9-10. (explaining that it is difficult for Antigua, a nation of 90,000 people, to make a ripple against the United States with typical trade sanctions). Indeed, after years of inaction by the EC, Ecuador negotiated a settlement for better market access for its bananas once the WTO authorized cross-retaliation. *See* World Trade Organization, Notification of Mutually Agreed Solution, *European Communities-Regime for the Importation, Sale and Distribution of Bananas*, WT/DS27/58 (July 2, 2001), *available at*

http://trade.ec.europa.eu/doclib/docs/2003/november/tradoc_114885.pdf.[3]

Most recently, a WTO ruling in 2009 permitted Brazil to suspend some of its intellectual property obligations with the U.S. under certain circumstances. *See* World Trade Organization, Decision by the Arbitrator, *United States – Subsidies on Upland Cotton*, WT/DS267/ARB/1 (Aug. 31, 2009), *available at* http://www.wto.org/english/tratop_e/dispu_e/267arb_part1_e.pdf. The decision followed a seven-year dispute between the two countries over American subsidies to U.S. cotton farmers, which Brazil argued violated international trade rules. *Id.* The WTO ruled that Brazil could cross-retaliate against U.S. intellectual property rights if countermeasures involving consumer goods proved insufficient to encourage the United States to eliminate the cotton subsidies. *Id.* ¶¶ 5.201, 5.230.

Because Brazil's economy is considerably larger than that of Ecuador or Antigua, one trade expert called the WTO's ruling on cross-retaliation "the big banana in terms of smaller countries having effective means of retaliation" and predicted that the ruling would "cause the intellectual-property community a few shakes and quivers." Peter Fritsch

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[3] Antigua remains in settlement talks with the United States. Allison L. Whiteman, Note, *Cross Retaliation Under the TRIPS Agreement: An Analysis of Policy Options for Brazil*, 31 N.C. J. INT'L L. & COM. REG. 187, 200-02 (2010).

and John Lyons, *U.S. Loses Ruling on Cotton Payouts*, WALL ST. J., Sept. 1, 2009, at A6. In fact, until the WTO permitted the suspension of intellectual property protections, the United States largely ignored the organization's 2004 ruling that the U.S. cotton subsidies violated international trade rules. *See* Allison L. Whiteman, Note, *Cross Retaliation Under the TRIPS Agreement: An Analysis of Policy Options for Brazil*, 31 N.C. J. INT'L L. & COM. REG. 187, 200-02 (2010). Eager to avoid having Brazil retaliate by, among other things, not enforcing patents for U.S. pharmaceuticals, the United States took the preliminary step of paying $147 million annually to assist Brazilian cotton farmers in 2010. *See, e.g.*, Sewell Chan, *U.S. and Brazil Reach Agreement on Cotton Dispute*, N.Y. TIMES, Apr. 7, 2010, at B2 (stating that Brazil would hold off on retaliation in exchange for various U.S. concessions).

That the United States was willing to make such concessions in a drawn-out trade dispute only after Brazil threatened to retaliate against American intellectual property interests sends an unmistakable message that the WTO's enforcement mechanisms, including allowing cross-retaliation against all types of intellectual property, are successful.

If Section 514 of the URAA is overturned and the United States falls out of compliance with TRIPS, the WTO and its member countries have a

strong incentive to retaliate against American intellectual property interests, including valuable patent, trademark, copyright, and other similar rights. Thus, the United States will likely face difficult choices should Section 514 of the URAA be struck down: pay additional monetary penalties or lose important intellectual property protections abroad for U.S. rights-holders. Such penalties affect the entire U.S. public, as tax dollars are used to pay significant sanctions and current rights held by American individuals and companies are substantially compromised abroad.

C. The United States Has Availed Itself of the WTO Dispute Resolution Process with Respect to TRIPS, an Option that Could Be Seriously Undermined if the United States Is Out of Compliance with TRIPS

In 1996, the U.S. brought an action against Japan before the WTO over Japan's failure to comply with Article 14 of TRIPS with respect to Japan's retroactive protection for sound recordings. *See* World Trade Organization, Summary of Dispute, *Japan – Measures Concerning Sound Recordings*, WT/DS28/1, *available at* http://www.wto.org/english/tratop_e/dispu_e/cases_e/ds28_e.htm (last updated Feb. 24, 2010). This was the first action brought by any country before the WTO with respect to the TRIPS Agreement. James E. Hudson, III, *The TRIPS Agreement in Action: Japan in the Hotseat*, 4 CURRENTS: INT'L TRADE L.J. 11 (1996). The United

States alle ged that Japan's copyright law violated the TRIPS Agreement because it only granted protection to foreign sound recordings that were made on or after 1971. *Id.* The United States took the position that Article 14 of TRIPS required that signatories provide a fifty-year term of protection beginning in 1946, whereas Japan argued that it could decide the base year from which to extend protection. *Id.* At the time, Japanese law protected sound recordings only if they were created in or after 1971. *Id.*

Ultimately, the United States and Japan were able to reach an agreement, resulting in an amendment to Japan's copyright law that protected sound recordings, retroactively, beginning from 1946. *See* World Trade Organization, Notification of Mutually Agreed Solution, *Japan – Measures Concerning Sound Recordings*, WT/DS28/4 (Feb. 5, 1997), *available at* http://www.mofa.go.jp/policy/economy/wto/cases/WTDS28MA.pdf; *see also* U.S. Trade Compliance Center, Press Release, *Japan Resolution of WTO Dispute on Sound Recordings* (Jan. 24, 1997), *available at* http://tcc.export.gov/Trade_Agreements/All_Trade_Agreements/exp_005579.asp; Stephen Obenski, *Retroactive Protection and Shame Diplomacy in the US-Japan Sound Recordings Dispute, or, How Japan got Berne-d*, 4 MINN. INTELL. PROP. REV. 183, 208 (2002). Contrary to the Petitioners' position that the governmental interest is "nothing more than a general hope that a

few foreign nations may one day provide reciprocal protection for existing U.S. works in their public domains," Pet'rs Br. 50, the WTO dispute between the United States and Japan demonstrates a real, not speculative, government interest in not hampering the continued enforcement of TRIPS in other countries for the benefit of U.S. copyright holders.

Moreover, since 1996, the United States has brought 14 additional complaints involving TRIPS to the WTO, more than any other country.[4] If Section 514 of the URAA is struck down, and the United States is noncompliant with the retroactive treatment provisions of TRIPS, its position to enforce any TRIPS provisions at the WTO, whether they relate to copyright or to any other type of intellectual property right, will be severely compromised.

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[4] World Trade Organization, Disputes by Agreement, *available at* http://www.wto.org/english/tratop_e/dispu_e/dispu_agreements_index_e.htm?id=A26#selected_agreement.

CONCLUSION

Congress was well within its rights to enact Section 514 of the URAA. The statute is narrowly and appropriately tailored to balance the government's need to comply with the TRIPS agreement and protect the rights of reliance parties. It also serves to further important and substantial government interests, namely to comply with treaty obligations, protect the American public by avoiding costly, taxpayer-funded litigation in the WTO, protect American economic interests against cross-retaliation, and persuade other countries to comply with WTO regulations and decisions. Accordingly, the Court should affirm the judgment below.

Respectfully submitted,

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LAWRENCE GOLAN, *et al.*,

Petitioners,

—v.—

ERIC H. HOLDER, JR., *et al.*,

Respondents.

ON WRIT OF CERTIORARI TO THE UNITED STATES COURT OF APPEALS FOR THE TENTH CIRCUIT

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TABLE OF CONTENTS

Page

TABLE OF AUTHORITIES iii

STATEMENT OF INTEREST 1

SUMMARY OF ARGUMENT 3

ARGUMENT 6

I. SECTION 514 IS A VALID EXERCISE OF THE FOREIGN COMMERCE CLAUSE AND TREATY POWER 6

A. The URAA Is Trade Legislation Enacted Under Congress' Foreign Commerce Clause Powers 6

B. Section 514 of the URAA, Which Implements Treaty Obligations, Is an Exercise of the Treaty Power 9

C. The URAA Is a Valid Exercise of Congress' Power to Regulate Commerce with Foreign Nations, Especially Where Congress Acts To Carry Out Foreign Commerce Obligations Created by a Treaty of the United States 14

II. THE URAA DOES NOT VIOLATE THE FIRST AMENDMENT 21

A. The URAA Does Not Raise First Amendment Concerns Unresolved in *Eldred* 21

B. To the Extent the First Amendment Requires Additional Balancing of the Government's Interest in Enacting Section 514, the Court Must Defer to the Political Branches' Identification of the Foreign Policy Interests of the United States 27

1. The Political Branches, Not the Judiciary, Determine the Nature and Extent of the Government's "Interest" on Questions of Foreign Policy 27

C. Section 514 Expands the Incentives and Opportunity for Speech and Public Debate 32

Conclusion 35

TABLE OF AUTHORITIES

Cases: Page

Authors League of Am., Inc. v. Oman,
790 F.2d 220 (2d Cir. 1986) 16, 19

Bd. of Trustees of Univ. of Illinois v. United States, 289 U.S. 48 (193..... 14, 15, 16

California Bankers Ass'n v. Shultz,
416 U.S. 21 (1974) 14

City of Renton v. Playtime Theatres, Inc.,
475 U.S. 41 (1986) 25

Container Corp. of Am. v. Franchise Tax Bd.,
463 U.S. 159 (1983) 31

Crosby v. Nat'l Foreign Trade Council,
530 U.S. 363 (2000) 28

Dames & Moore v. Regan,
453 U.S. 654 (1981) 22, 30

Dastar Corp. v. Twentieth Century Fox Film Corp., 539 U.S. 23 (2003) 26

El Al Israel Airlines, Ltd. v. Tseng,
525 U.S. 155 (1999) 28

Eldred v. Ashcroft,
537 U.S. 186 (2003) ..... *passim*

First Nat'l Bank of Boston v. Bellotti,
435 U.S. 765 (1978) 24, 25

Friedman v. Rogers,
440 U.S. 1 (1979) 25

Frisby v. Schultz,
487 U.S. 474 (1988) 26

Gibbons v. Ogden,
22 U.S. (9 Wheat.) 1 (1824) 15, 17

Golan v. Holder,
609 F.3d 1076 (10th Cir. 2010) 9, 10, 28, 30

Hamdi v. Rumsfeld,
542 U.S. 507 (2004) 30

Harisiades v. Shaughnessy,
342 U.S. 580 (1952) 29

Hill v. Colorado,
530 U.S. 703 (2000) 26

Holder v. Humanitarian Law Project,
130 S.Ct. 2705 (2010) 30

Japan Line, Ltd. v. County of Los Angeles,
441 U.S. 434 (1979) 14

KISS Catalog v. *Passport Int'l Products*,
350 F. Supp. 2d 823 (C.D. Cal. 2004),
vacated in part on reconsideration,
405 F. Supp. 2d 1169 (C.D. Cal. 2005) 20

Kolovrat v. Oregon,
366 U.S. 187 (1961) 29

Luck's Music Library, Inc. v. Ashcroft,
321 F. Supp. 2d 107 (D.D.C. 2004),
aff'd, 407 F.3d 1262 (D.C. Cir. 2005) 9, 10

Luck's Music Library, Inc. v. Gonzales,
407 F.3d 1262 (D.C. Cir. 2005) 10

Missouri v. Holland,
252 U.S. 416 (1920) 12, 13

O'Connor v. United States,
479 U.S. 27 (1986) 29

Oetjen v. Central Leather Co.,
246 U.S. 297 (1918) 28

Outdoor Media Group, Inc. v. City of Beaumont,
506 F.3d 895 (9th Cir. 2007) 25

Railway Labor Executives' Ass'n v. Gibbons,
455 U.S. 457 (1982) 17

Regan v. Wald,
468 U.S. 222 (1984) 29

Rutan v. Republican Party of Ill.,
497 U.S. 62 (1990) 25

Sumitomo Shoji America, Inc. v. Avagliano,
457 U.S. 176 (1982) 28

The Trade-Mark Cases,
100 U.S. 82 (1879) 15, 18

Turner Broad. Sys., Inc. v. FCC,
520 U.S. 180 (1997) 25, 26

United States v. Lara,
541 U.S. 193 (2004) 12, 13

United States v. Lopez,
514 U.S. 549 (1995) 8

United States v. Martignon,
492 F.3d 140 (2d Cir. 2007) 20

United States v. Moghadam,
175 F.3d 1269 (11th Cir. 1999) 15, 17, 20

Ward v. Rock Against Racism,
491 U.S. 781 (1989) 26

Woods v. Cloyd W. Miller Co.,
333 U.S. 138 (1948) 9

Young v. Am. Mini Theatres, Inc.,
427 U.S. 50 (1976) 25

Constitution, international agreements, statutes and regulations:

U.S. Const., art. I, § 8 13

U.S. Const., art. I, § 8, cl. 3 ..... 3, 14

U.S. Const., art. I, § 8, cl. 4 17

U.S. Const., art. I, § 8, cl. 8 ..... 3, 18

U.S. Const., art. II, § 2, cl. 2 ..... 3, 10

U.S. Const., art. VI, cl. 2 12

Agreement on Trade-Related Aspects of Intellectual Property Rights, 33 I.L.M. 81 (1994) ..... *passim*

Berne Convention for the Protection of Literary and Artistic Works, Sept. 9, 1886, as revised at Paris on July 24, 1971 and amended in 1979, S. Treaty Doc. No. 27, 99th Cong., 2d Sess. (1986) ..... *passim*

Uruguay Round Agreements Act, Pub. L. No. 103-465, 108 Stat. 4809 (1994) ..... *passim*

17 U.S.C. § 101 11

17 U.S.C. § 104A 3, 12

17 U.S.C. § 108 32

17 U.S.C. § 109(a) 3

17 U.S.C. § 601 (1985) 16

18 U.S.C. § 2319A 20

19 U.S.C. § 2903 8

19 U.S.C. § 3511(a) 7, 8

19 U.S.C. § 3511(d)(15) 7

Presidential Proclamation 6780,
60 Fed. Reg. 15,845, 15,846
(March 23, 1995) 11

Other Authorities:

134 Cong. Rec. S16939 (Oct. 20, 1988) 10

24 Weekly Comp. Pres. Doc. 1405 (Nov. 5, 1988) ... 10

H.R. Doc. No. 103-316 (1994) 7

H.R. Rep. No. 103-826(I) (1994) 8

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3 Melville B. Nimmer & David Nimmer, *Nimmer on Copyright* § 9A.07 ..... 9, 10

4 *Nimmer*, § 18.06 ..... 8, 10

S. Rep. No. 103-412 (1994) 7, 9

L. Tribe, *American Constitutional Law* (2d ed. 1988) 12

STATEMENT OF INTEREST

With the written consent of all parties, reflected in letters on file with the Clerk, the International Coalition for Copyright Protection (ICCP) submits this brief as *amicus curiae*, pursuant to Rule 37 of the Rules of this Court.[1]

The ICCP is an unincorporated association formed by authors, illustrators, artists, songwriters, film distributors and publishers to advocate for protection of copyrights. ICCP's members depend upon copyright protection to exercise some legal control over the use of their creative work and to ensure that they receive adequate compensation when that work is published or performed.

ICCP's members own copyrights that have been restored in the United States pursuant to Section 514 of the Uruguay Round Agreements Act, Pub. L. No. 103-465, 108 Stat. 4809 (1994). ICCP members also depend upon copyright protection in the European Union and other foreign countries, the extent of which depends upon the degree of protection afforded under United States law.

Members of the ICCP include Independent-International Picture Corporation, Dam Things Holding APS, Action Publishing, and Author Services Inc.

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[1] No counsel for a party authored the brief in whole or in part, and no person or entity, other than the *amicus curiae* or its members, made a monetary contribution to the preparation or submission of the brief.

The ICCP has filed *amicus* briefs in the two appeals in this case before the United States Court of Appeals for the Tenth Circuit. The ICCP also filed an *amicus curiae* brief in this Court in *Eldred v. Ashcroft*, 537 U.S. 186 (2003).

SUMMARY OF ARGUMENT

Congress enacted Section 514 of the Uruguay Round Agreements Act ("URAA"), Pub. L. No. 103-465, 108 Stat. 4809 (1994) (codified at 17 U.S.C. §§ 104A, 109(a)), as part of a broad and complex statute addressed to the foreign trade and commerce of the United States. In doing so, Congress acted pursuant to its enumerated power under Article I, Section 8, Clause 3 of the Constitution to regulate foreign commerce, and to implement an international treaty ratified by the Senate under the treaty power, Article II, Section 2, Clause 2.

Section 514 is a small component of a massive piece of international trade legislation, the vast majority of which has nothing to do with copyrights. Thus, even though Section 514 of the statute pertains to copyrights, Congress had the power to enact it independent of its authority under the Copyright Clause of the Constitution, Article I, Section 8, Clause 8. While *amicus* agrees with the United States and the Tenth Circuit that Congress' power to enact Section 514 is also supported by the Copyright Clause, petitioners incorrectly pose that question as necessarily determinative of this case. Treating Section 514 exclusively as copyright legislation ignores the historical context in which Congress enacted the entire URAA in furtherance of broad foreign policy and foreign economic goals.

To be sure, Congress cannot act under its foreign commerce or treaty powers in derogation of other specific constitutional restrictions on its power. Nothing in the Copyright Clause or any other provision of the Constitution, however, prohibited

Congress from enacting Section 514. Petitioners' strained effort to invoke the "limited times" language contained in the Copyright Clause is facially without merit. Section 514 *only* provides copyright protection to works for "limited times." Indeed, the duration of the copyright term provided for by Section 514 is precisely the same as the duration of copyrights in the United States generally, a "limited time" that the Court upheld as constitutional in *Eldred*. None of the copyright terms "restored" by Section 514 are longer, broader, or more onerous than those at issue in *Eldred*.

Eldred also mandates rejection of petitioners' argument that the "progress" preamble to the Copyright Clause prohibited enactment of Section 514. The preamble is hortatory in nature and contains no language limiting Congress' power to act under the Copyright Clause, despite petitioners' repeated efforts to interject into the language of the preamble the restrictive word "only" where it does not exist. In *Eldred*, the Court held that the preamble did not prohibit Congress from extending the term of copyright protection to already existing works, rejecting the argument that such an extension did not promote "progress" in a meaningful manner. In so holding, the Court affirmed that determination of whether copyright legislation is likely to promote "progress" in the arts or sciences is committed to the discretion of Congress, not the judiciary. *A fortiorari*, the Preamble to the Copyright Clause does not restrict Congress' power to act under the Foreign Commerce and Treaty Clauses.

Nor does the First Amendment prohibit Congress from enacting Section 514 as part of a

sweeping piece of international economic regulation. The copyrights encompassed by Section 514, whether authorized by the Copyright Clause or the Foreign Commerce Clause, are subject to the same traditional, historical, and statutory limitations as those that apply to all copyrights, including the fair use doctrine and the idea/expression dichotomy. Accordingly, as in *Eldred,* there is no reason for the Court to undertake further scrutiny under the First Amendment. Petitioners assert that their "reliance" and property interests in works that have been in the public domain require a heightened standard of First Amendment protection, but those concepts have no place in First Amendment jurisprudence, nor is there such a thing as "vested" First Amendment rights or a category of "vested" rights holders who possess greater First Amendment rights than other actual or potential speakers.

Even under intermediate First Amendment scrutiny, there can be no question that Section 514 is constitutionally valid legislation. Because Section 514 addresses issues of foreign affairs and foreign commerce, the government's explication of its foreign policy interest in implementing the statute must be granted significant deference under the well-established case law applicable to such matters. The identification and nature of the foreign policy interest of the United States at issue should be left to the discretion of the political branches of government.

Finally, petitioners and the *amici* supporting them fail to recognize the substantial ways in which Section 514 expands the incentives and opportunity for speech and public debate. Their assertion that

Section 514 will create "instability" in the public domain and therefore lead to a parade of horribles makes no sense. Section 514 has been in effect for almost 15 years. Google (and its book project), Wikipedia, and various of the other projects and industries that supposedly will be devastated by Section 514 were all created after January 1, 1996, the effective date of the statute restoring copyrights. The rules created by Section 514 have been in place for the last 15 years – the period in which the Internet took root, the digital revolution occurred, and the public gained access to an unprecedented amount of information and speech.

ARGUMENT

I. SECTION 514 IS A VALID EXERCISE OF THE FOREIGN COMMERCE CLAUSE AND TREATY POWER.

A. The URAA Is Trade Legislation Enacted Under Congress' Foreign Commerce Clause Powers.

The 1994 URAA is as pure a piece of foreign trade legislation as could be imagined. The URAA required thousands of changes to United States statutes and tariffs to implement the Uruguay Round Agreements that created the World Trade Organization ("WTO") and the modern global trade regime. Section 514 (along with the handful of other copyright provisions of the URAA) is but one small part of this massive international trade legislation. In the URAA, Congress approved not only the WTO Agreement, but also eighteen (18) separate trade-related economic agreements, covering such topics as agriculture, textiles, government procurement,

investments, subsidies, trade in services, and tariffs. 19 U.S.C. § 3511(a), (d). Only one of those agreements, the Agreement on Trade-Related Aspects of Intellectual Property Rights (TRIPs), concerns intellectual property. Copyright was only one small part of TRIPs, which also deals extensively with patents, trademarks, geographical indications, industrial designs, and trade secrets. *See id.* § 3511(d)(15); TRIPs, 33 I.L.M. 81 (1994). The title itself explains that TRIPs is concerned with "*trade-related* aspects of intellectual property." Thus, the fact that the URAA included provisions addressing copyrights did not mean that Congress was acting pursuant to its Copyright Clause powers in enacting such provisions, let alone pursuant exclusively to such powers.

Statements accompanying the passage of the URAA demonstrate the obvious, that Congress was acting pursuant to its powers over foreign commerce. In the President's letter to Congress transmitting the proposed URAA and related documents, he stated, "The Uruguay Round Agreements are the broadest, most comprehensive trade agreements in history. They are vital to our national interest and to economic growth, job creation, and an improved standard of living for all Americans."[2] *See* S. Rep. No. 103-412, at 3 (1994) ("The Uruguay Round of multilateral trade negotiations is by far the most

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[2] Message from the President of the United States Transmitting the Uruguay Round Trade Agreements, Texts of Agreements Implementing Bill, Statement of Administrative Action and Required Supporting Statements, H.R. Doc. No. 103-316, at 1 (1994).

ambitious and comprehensive round of multilateral trade negotiations in the history of the GATT.... tackl[ing] new areas, such as services, intellectual property rights, and investment, reflecting the growing complexity of the world trading system."); *see id.* at 2-5; H.R. Rep. No. 103-826(I), at 16 (1994) ("These agreements ... will lead to increased levels of world and U.S. output, trade, real income, savings, investment, and consumption.").[3]

The leading copyright commentator recognized that the URAA was enacted pursuant to and fell well within Congress' Foreign Commerce Clause powers.

> Evidently, Congress felt that its authority to regulate international commerce authorized it to enact the bill and obviated the need to be explicit about the matter. Given how broadly Congress' commerce power historically has been construed, that assumption is safe.... [*United States v. Lopez*, 514 U.S. 549 (1995)] does not remotely threaten the viability of this trade law, given how close to the core of economic activity the Uruguay Round Agreements lie.

4 Melville B. Nimmer & David Nimmer, *Nimmer on Copyright*, § 18.06[C][3][a], at 18-81 (2004) (footnotes omitted) (hereinafter "Nimmer"); *see also* 3

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[3] The URAA was enacted under "fast-track" trade legislation pursuant to section 1103 of the Omnibus Trade and Competitiveness Act of 1988, 19 U.S.C. § 2903. *See* 19 U.S.C. § 3511(a).

Nimmer § 9A.07[B], at 9A–80-81; *see Golan v. Holder*, 609 F.3d 1076, 1081 (10th Cir. 2010).[4]

B. Section 514 of the URAA, Which Implements Treaty Obligations, Is an Exercise of the Treaty Power.

With respect to Section 514 itself, Congress clearly stated that it was acting to implement the United States' treaty obligations under the Berne Convention for the Protection of Literary and Artistic Works, Sept. 9, 1886, as revised at Paris on July 24, 1971 and amended in 1979, S. Treaty Doc. No. 27, 99th Cong., 2d Sess. (1986) – a quintessential exercise of the Treaty Power – whereas there is no mention or indication that Congress considered itself to be acting pursuant to the Copyright Clause.[5] *See*

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[4] Because the Tenth Circuit upheld Section 514 as a valid exercise of Congress' Copyright Clause authority, the United States does not address the Foreign Commerce Clause in its brief, while reserving the right to do so if necessary in the future, *see* Brief for the Respondents ("Resp. Br.") at 33-34 n.15, and describing the URAA as "foreign trade" legislation, *id.* at 5. The statute at issue is constitutional if authorized under any enumerated constitutional power. *See, e.g., Woods v. Cloyd W. Miller Co.*, 333 U.S. 138, 144 (1948).

[5] The Berne "Convention governs the international enforcement of copyright law. Since its entry into force in 1886, the Convention requires member countries to afford the same copyright protections to foreign copyright holders that they provide to their own citizens. Convention, Art. 5. The United States ratified the Convention in 1988." *Luck's Music Library, Inc. v. Ashcroft*, 321 F. Supp. 2d 107, 109 (D.D.C. 2004) (internal citations omitted), *aff'd*, 407 F.3d 1262 (D.C. Cir. 2005). There are now 164 Contracting Parties to the Berne Convention. *See* http://www.wipo.int/treaties/ (last viewed July 31, 2011).

S. Rep. No. 103-412, at 225 ("The [TRIPs] Agreement requires WTO countries to comply with Article 18 of the Berne Convention. While the United States declared its compliance with the Berne Convention in 1989, it never addressed or enacted legislation to implement Article 18 of the Convention."); *Luck's Music Library, Inc. v. Gonzales*, 407 F.3d 1262, 1262-63 (D.C. Cir. 2005) ("§ 514 of the [URAA] implements Article 18 of the Berne Convention for the Protection of Literary and Artistic Works."); *Luck's Music*, 321 F. Supp. 2d at 109 n.1 (describing implementation of Berne Convention obligations, including Article 18, through Title V of URAA, which implemented TRIPs); TRIPs, art. 9(1), 33 I.L.M. at 87;[6] 3 Nimmer, § 9A.07[B], at 9A–80 (acknowledging Treaty Power rationale for Section 514); *Golan*, 609 F.3d at 1081 (Congress enacted URAA "in order to comply with these international agreements"); Resp. Br. at 5 ("Section 514 . . . implements Article 18 of Berne").

The Berne Convention is a "Treaty" within the meaning of the Treaty Clause. U.S. Const. art. II, § 2, cl. 2. The President presented the Convention to the Senate, which ratified it by a two-thirds vote, the President signed the treaty, and it was deposited with WIPO. *See* 134 Cong. Rec. S16939 (Oct. 20, 1988); 24 Weekly Comp. Pres. Doc. 1405 (Nov. 5, 1988); http://www.wipo.int/treaties/. Congress expressly declared the Berne Convention not to be self-executing, however, and it thus required

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[6] The GATT Secretariat characterized TRIPs as "the most important multilateral agreement on intellectual property rights negotiated in this century." (quoted in 4 *Nimmer* § 18.06[A], at 18-49).

implementing legislation in order for the United States to carry out its international obligations. *See* 17 U.S.C. § 101 note (Berne Convention; Congressional Declarations, Pub. L. 100-568, § 2(1)) ("The Convention for the Protection of Literary and Artistic Works, signed at Berne, Switzerland, on September 9, 1886, and all acts, protocols, and revisions thereto (hereafter in this Act referred to as the 'Berne Convention') are not self-executing under the Constitution and laws of the United States.")

GATT Members, including the United States, were obligated to comply with TRIPs by January 1, 1996. TRIPs, art. 65(1), 33 I.L.M. at 107; Presidential Proclamation 6780, 60 Fed. Reg. 15,845, 15,846 (March 23, 1995), at 5(c). Therefore, in order to comply with the Uruguay Round Agreements and TRIPs, the United States was required to implement the Berne Convention, including Article 18. TRIPs, art. 9(1), 33 I.L.M. at 87. One of the primary goals of the WTO Agreement was to prevent GATT Members, including the United States, from picking and choosing among the provisions of TRIPs (and hence of the Berne Convention, arts. 1-21) with which they would comply. TRIPs art. 72, 33 I.L.M. at 110 (reservations from TRIPs require consent of all other WTO Members). Section 514 goes no further than Article 18, providing protection only for otherwise copyrightable *foreign* works whose term of protection has not yet expired in the country of origin, and that

further meet the specified criteria set out in 17 U.S.C. § 104A(h)(6)(C).[7]

The Treaty Power is a distinct delegation of enumerated power to the Executive and the Senate. As Justice Holmes explained in *Missouri v. Holland*, 252 U.S. 416 (1920):

> Acts of Congress are the supreme law of the land only when made in pursuance of the Constitution, while treaties are declared to be so when made under the authority of the United States.... It is obvious that there may be matters of the sharpest exigency for the national well being that an act of Congress could not deal with but that a treaty followed by such an act could, and it is not lightly to be assumed that, in matters requiring national action, a power which must belong to and somewhere reside in every civilized government is not to be found.

Id. at 433 (internal quotations omitted); *see id.* at 432 (citing U.S. Const. art. VI, cl. 2, which distinguishes "Laws of the United States which shall be made in Pursuance" of the Constitution, from "all Treaties made, or which shall be made, under the Authority of the United States"); *United States v. Lara*, 541 U.S. 193, 201 (2004); *see also* L. Tribe, *American Constitutional Law* 227 (2d ed. 1988) ("*Missouri v.*

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[7] Section 514 also provides specific protections to reliance parties that are not required by the Convention or TRIPs. *See* 17 U.S.C. § 104A(d)(2)-(4), (e)(2).

Holland thus views the treaty power as a delegation of authority to federal treaty-makers independent of the delegations embodied in the enumeration of Congress' own powers."); L. Henkin, *Foreign Affairs and the United States Constitution* 191 (2d ed. 1996) ("What [Holmes] said, simply, was that the Constitution delegated powers to various branches of the federal government, not only to Congress; the Treaty Power was delegated to the federal treaty-makers, a delegation additional to and independent of the delegations to Congress.").

"If [a] treaty is valid there can be no dispute about the validity of the [implementing] statute under Article I, Section 8, as a necessary and proper means to execute the powers of the Government." *Holland*, 252 U.S. at 432; *see Lara*, 541 U.S. at 201 (same). The Berne Convention is plainly a valid treaty, *see, e.g., Eldred*, 537 U.S. at 195, in that, first, the subject matter of the treaty is one "requiring national action" concerning United States relations with foreign powers, and concerns a power that "must belong to and [] reside" in the national government, *Holland*, 252 U.S. at 433 (internal quotations omitted), and second, the Constitution contains no "prohibitory words" barring the treaty's terms. *Id.* Section 514, as a statute that implements a portion of the Berne Convention, is accordingly a valid exercise of congressional authority.[8]

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[8] *Amicus* the Cato Institute argues that *Missouri v. Holland* should be overruled and that Congress' enumerated powers cannot be extended or added to by international treaty. That question is not raised by this case, however, because in acting to implement the Berne Convention – the treaty in this case – Congress also acted pursuant to its foreign commerce

C. The URAA Is a Valid Exercise of Congress' Power to Regulate Commerce with Foreign Nations, Especially Where Congress Acts To Carry Out Foreign Commerce Obligations Created by a Treaty of the United States.

The URAA is international trade legislation, as shown above, and Section 514 of that Act is a valid exercise of Congress' power "to regulate Commerce with foreign Nations." U.S. Const. art. I, § 8, cl. 3. Section 514, as part of this trade legislation, regulates the economic terms pursuant to which certain foreign informational materials can be imported into and distributed within the United States.

"The plenary authority of Congress to regulate foreign commerce . . . is well established." *California Bankers Ass'n v. Shultz*, 416 U.S. 21, 59 (1974). "Although the Constitution, Art. I, § 8, cl. 3, grants Congress power to regulate commerce 'with foreign Nations' and 'among the several States' in parallel phrases, there is evidence that the Founders intended the scope of the foreign commerce power to be the greater." *Japan Line, Ltd. v. County of Los Angeles*, 441 U.S. 434, 448 (1979). International traffic in copyrighted materials is no less subject to Congress' Foreign Commerce Clause authority than international traffic in any other commodity. *See Bd.*

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and copyright powers. Accession to the Berne Convention and passage of Section 514 do not expand any area of congressional power, or alter the balance of powers between the federal government and the states. The treaty addresses two areas – copyright and foreign commerce – clearly entrusted by the Constitution to the national government.

of Trustees of Univ. of Illinois v. United States, 289 U.S. 48, 56 (1933) (Foreign Commerce Clause "'comprehend[s] every species of commercial intercourse between the United States and foreign nations. No sort of trade can be carried on between this country and any other, to which this power does not extend.'") (quoting *Gibbons v. Ogden*, 22 U.S. (9 Wheat.) 1 (1824)).

The fact that the foreign commerce regulated by Section 514 involves copyrights does not diminish Congress' Foreign Commerce Clause authority. A statute arguably within the ambit of two grants of congressional power may be authorized by one of those grants even if not authorized by the other. Thus, in *The Trade-Mark Cases*, 100 U.S. 82, 93-94 (1879), the Court held that a nineteenth-century criminal trademark statute was not within Congress' Copyright Clause authority – the power, the Court inferred, that Congress had intended to exercise in enacting the statute. *Id.* at 94. The Court next considered whether regulation of trademarks was permissible under the Commerce Clause. *Id.* at 95. Although the Court invalidated the statute under the then-prevailing narrow interpretation of Congress' Commerce Clause power, modern trademark protection, though presumably still unsupported by the Copyright Clause, "is built entirely on the Commerce Clause [as it now is construed]." *See United States v. Moghadam*, 175 F.3d 1269, 1278 (11th Cir. 1999).

To similar effect is *Board of Trustees of University of Illinois*, *supra*. There, the Court rejected the University of Illinois' contention that it should be exempt from paying customs duties on the

theory that they constituted taxes from which the University, as a state instrumentality, was immune. *See id.*, 289 U.S. at 57-58. The Court explained: "It is true that the taxing power is a distinct power; that it is distinct from the power to regulate commerce. It is also true that the taxing power embraces the power to lay duties. But because the taxing power is a distinct power and embraces the power to lay duties, it does not follow that duties may not be imposed in the exercise of the power to regulate [foreign] commerce." *Id.* at 58 (internal citations omitted).

The lower courts also have recognized that in appropriate circumstances the Foreign Commerce Clause may authorize legislation where other Article I powers, particularly the Copyright Clause, would not suffice. In *Authors League of Am., Inc. v. Oman*, 790 F.2d 220 (2d Cir. 1986), for example, the Second Circuit considered a constitutional challenge to the so-called "manufacturing clause," a now defunct statute that denied full copyright protection to English-language non-dramatic literary materials manufactured outside of the United States or Canada. *See id.* at 221; 17 U.S.C. § 601 (1985). Congress' objective in so limiting the scope of copyright protection, the court explained, was "to protect domestic labor and manufacturers in the printing and publishing industry. This legislation seeks to encourage the use of American printers[.]" *Authors League of Am.*, 790 F.2d at 221. In rejecting the plaintiffs' argument that the challenged provision was beyond Congress' authority because the statute had only a tenuous connection to the promotion of progress in science, the court explained:

"the copyright clause is not the only constitutional source of congressional power that could justify the manufacturing clause. In our view, denial of copyright protection to certain foreign-manufactured works is clearly justified as an exercise of the legislature's power to regulate commerce with foreign nations." *Id.* at 224; *see also Moghadam*, 175 F.3d at 1280 ("[I]n some circumstances the Commerce Clause indeed may be used to accomplish that which may not have been permissible under the Copyright Clause.").

To be sure, Congress may not act under its foreign commerce or treaty powers in a manner specifically prohibited by another constitutional provision. *Railway Labor Executives' Ass'n v. Gibbons*, 455 U.S. 457 (1982). The *Gibbons* rule does not apply in this case, however.

In *Gibbons*, the Court declared unconstitutional a statute giving employees of a recently insolvent railroad preferential treatment in the disbursement of assets from the bankruptcy estate because the statute violated the express requirement that Congress may only enact "*uniform* Laws on the subject of Bankruptcies throughout the United States." U.S. Const., art. I, § 8, cl. 4 (emphasis added). The Court held that such a non-uniform bankruptcy law could not be enacted under the independent authority of the Commerce Clause. "[I]f we were to hold that Congress had the power to enact non-uniform bankruptcy laws pursuant to the Commerce Clause," the Court explained, "we would eradicate from the Constitution a limitation on the power of Congress to enact bankruptcy laws." *Gibbons*, 455 U.S. at 468-69.

In contrast, where the interstate or foreign Commerce Clauses would allow Congress to enact legislation not authorized by another specific grant of power under Article I, but not explicitly prohibited by the latter grant, the cases discussed above make clear that Congress may act pursuant to the Commerce Clauses. Thus, although trademark law gives "exclusive rights" to "writings" in a manner that exceeds the authority granted by Article I, § 8, cl. 8, *see The Trade-Mark Cases*, 100 U.S. at 94, protection of trademarks is nonetheless permissible under the modern interpretation of the commerce power because the Copyright Clause does not *prohibit* Congress from so acting.

So too with the URAA. Even if it were true – and it is not – that the URAA's restoration of copyrights is not authorized by the Copyright Clause standing alone, the legislation is nonetheless a valid exercise of the foreign commerce power. Nothing in the Copyright Clause can be read as prohibiting copyright restoration in a manner comparable to the Bankruptcy Clause's express limitation requiring enactment only of "uniform" bankruptcy laws.

Petitioners advance only two arguments as to why and how Section 514, if authorized by the Foreign Commerce and Treaty Clauses, would be invalid because it contravenes the Copyright Clause.

First, they assert that it fails the "limited times" requirement of the Copyright Clause. The restored copyrights at issue, however, are indisputably for "limited times" – in fact, they are *ipso facto* for limited times that are *shorter* than those held constitutional in *Eldred*. (A restored

URAA copyright ends at what would be the end of its Copyright Term Extension Act term – the term explicitly approved in *Eldred* – but is shorter in overall duration because of intervening years out of copyright prior to restoration.) The words "limited times" simply do not mean *continuous* or *uninterrupted* limited times, and petitioners have provided no authority for their insertion of these additional concepts. This case does not present, and the Court does not need to address, the situation in which Congress restored copyrights in works after the maximum statutory "limited times" expired – Section 514 only restores works that are still within the "limited times" set out in the Copyright Act and upheld in *Eldred*.

Second, petitioners assert that the preamble to the Copyright Clause ("to promote the Progress of Science and useful Arts") prohibits restoration of copyright, even though the preamble contains no such prohibitory or limiting language. That petitioners must resort to the legerdemain of attempting to interject the word "only" into the preamble – they misleadingly write that Congress is empowered to secure copyrights "*only* to 'promote the [p]rogress' of knowledge and learning," Brief for the Petitioners ("Pet. Br.") at 3, 15 – demonstrates the weakness of their textual position. Unsurprisingly, no court has interpreted the preamble in that manner, and *Eldred* rejects such a reading. *See Eldred*, 537 U.S. at 211-22; *see also Authors League of Am.*, 790 F.2d at 224 (plaintiff's claim that enactment of manufacturing clause did not promote "progress" was irrelevant, including because statute was authorized under Foreign Commerce Clause). In

any event, as *Eldred* recognized, the determination as to whether a particular statute promotes or hinders "progress" of knowledge and learning is a quintessential political question textually committed exclusively to the political branches; the judiciary is particularly ill-suited to second guess Congress on such a matter.

In the absence of a specific limitation in the Copyright Clause – which does not exist – Section 514 is clearly a valid exercise of the foreign commerce and treaty powers. *See Moghadam,* 175 F.3d at 1273-82 (holding that "anti-bootlegging" provision of URAA, 18 U.S.C. § 2319A, which prohibits unauthorized distribution of recordings of live performances, was constitutional exercise of Congress' Commerce Clause authority, even though it protected "unfixed" performances and thus was beyond Congress' power under Copyright Clause); *United States v. Martignon*, 492 F.3d 140, 152-53 (2d Cir. 2007) (same).[9]

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[9] *Moghadam* did not raise the question whether the anti-bootlegging provision, which on its face was perpetual and contained no term limitation whatsoever, was specifically prohibited by the "limited Times" provision of the Copyright Clause. *But see KISS Catalog* v. *Passport Int'l Products*, 350 F. Supp. 2d 823 (C.D. Cal. 2004), *vacated in part on reconsideration*, 405 F. Supp. 2d 1169 (C.D. Cal. 2005).

II. THE URAA DOES NOT VIOLATE THE FIRST AMENDMENT.

A. The URAA Does Not Raise First Amendment Concerns Unresolved in *Eldred*.

As the Court stated definitively in *Eldred*, "copyright's built-in First Amendment accommodations" – the idea/expression dichotomy and the Fair Use defense – render additional First Amendment scrutiny of copyright legislation unnecessary when the law in question has not "altered the traditional contours of copyright protection." *Eldred*, 537 U.S. at 219-21.

Amicus agrees with the government that Section 514 does not alter "the traditional contours of copyright protection." *See* Resp. Br. at 35-37. The copyrights encompassed by Section 514, whether authorized by the Copyright Clause or the Foreign Commerce Clause, are subject to the same traditional, historical, and statutory limitations as those that apply to all copyrights, including the fair use doctrine and .the idea/expression dichotomy. Accordingly, as in *Eldred*, there is no reason for the Court to undertake further scrutiny under the First Amendment.

We emphasize here that the Court should reject petitioners' argument that the ordinary First Amendment analysis is changed by the "vested" or "reliance" First Amendment interests petitioners purport to identify.

Petitioners repeatedly attempt to introduce an argument they abandoned or waived in the lower

courts: that Section 514 confiscates vested economic rights they obtained by investing in projects involving works for which the statute restored copyright protection. Thus, from the outset of their Brief, petitioners complain, *e.g.*, that they "lost . . . the expected return on significant investments" (Pet. Br. at 2); that they "depend upon the public domain for their livelihood" (*id.* at 10); that "Section 514 also destroys substantial business investments by petitioners" (*id.* at 11); that petitioners "invested substantial time, effort and money" (*id.* at 17); that Congress "expropriated the investment they made" (*id.*); that Congress "confiscated" their "invest[ment]" (*id.* at 44); and that "Section 514 takes away vested . . . rights" (*id.* at 45). Petitioners' complaint originally asserted violations of their rights under the Fifth Amendment, Pet. App. 148-52, but, after the district court dismissed that claim, petitioners abandoned it on appeal.[10]

Instead, petitioners here argue that this alleged damage to their property interests infringes upon what they call their "vested" First Amendment rights. Petitioners assert that they (as "reliance" parties who made or intended to make use of restored works while they were in the public domain) or, alternatively, the "public" at large obtained some vested, quasi-proprietary First Amendment right when foreign works entered the public domain in the

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[10] Not only have petitioners thus long since waived any Takings claim here; they have not followed the correct procedural posture to present such a claim. *See, e.g., Dames & Moore v. Regan*, 453 U.S. 654, 689 (1981).

United States. *See, e.g.*, Pet. Br. at 45 ("Section 514 takes away *vested* and *established* public speech rights.") (emphasis added).

As set forth below, petitioners' argument has no basis in First Amendment doctrine and has been rejected by the Court. A citizen has the same First Amendment interest in making a speech, whether or not he or she was able to do so in the past, and whether or not he or she invested economic resources in being able to do so in the future. From a First Amendment perspective, the limitations imposed on future speech because of the "restored" copyright regime contained in Section 514 are conceptually indistinguishable from those imposed by copyrights or copyright term extensions in general. Petitioners nakedly assert (and assume) that speech that was out of copyright for a period of time is somehow different, but neither their brief nor any of the sixteen *amicus* briefs supporting them identifies a First Amendment difference that has conceptual coherence or grounding in precedent or other authority. Because both categories of speech have the same First Amendment value, petitioners' First Amendment challenge is foreclosed by *Eldred*.

Petitioners' private reliance theory posits two classes for First Amendment purposes: Those with "vested" First Amendment rights and those without such rights. There is simply no jurisprudential basis, however, for creating two classes of speakers, some of whom have greater First Amendment rights than others, based on whether or not a person previously has spoken or has invested in speech. Neither petitioners nor their supporters cite any authority for the concept of "vested" First Amendment rights.

Petitioners' alternative theory posits that the "public" has some kind of ownership right in the public domain, and that this ownership right grants the "public" a greater First Amendment right in making some kinds of speeches (restored works) than in other kinds of speeches (works that remained in copyright). Again, however, there is no basis either for declaring that the public *owns* the public domain – *i.e.*, has some kind of property right in it – or that such property right, if it exists, has First Amendment meaning. On a practical level, petitioners' theory leads to absurd results, such as, for example, that American citizens would have a greater *First Amendment* right to play symphonies by Soviet composers (whose works, pre-restoration, were in the public domain as a matter of law) than by American composers. It is one thing to say that *copyright* law provides different results with respect to the two kinds of work, based on whether or not the authors followed formalities, or whether or not a nation joined Berne; it is another thing altogether to say that the two kinds of expression have different First Amendment statuses.

Petitioners' arguments are particularly problematic because the "vested" First Amendment rights they assert seem to derive from economic expenditure or proprietary ownership of the public domain. In other words, those who have invested, or expect an economic return, obtain a property right to speak, whereas those who do not expect such a return lack such a right.

Freedom of speech is a liberty interest, however, not a property interest. *See, e.g.*, *First Nat'l Bank of Boston v. Bellotti*, 435 U.S. 765, 777-80

(1978). Thus, "a property interest in a means of communication does not enlarge or diminish the First Amendment protection of that communication," *Friedman v. Rogers*, 440 U.S. 1, 12 n.11 (1979), and the impact that a regulation will have on a speaker's business is simply irrelevant to any First Amendment analysis. *See, e.g.*, *Bellotti*, 435 U.S. at 784 (whether speaker can "prove, to the satisfaction of a court, a material effect on its business or property" not relevant to First Amendment analysis); *City of Renton v. Playtime Theatres, Inc.*, 475 U.S. 41, 54 (1986) ("'The inquiry for First Amendment purposes is not concerned with economic impact'") (quoting *Young v. Am. Mini Theatres, Inc.*, 427 U.S. 50, 78 (1976) (Powell, J., concurring)); *Outdoor Media Group, Inc. v. City of Beaumont*, 506 F.3d 895, 903 (9th Cir. 2007) ("The establishment of a vested property right is irrelevant to [a First Amendment] challenge.") (citing *Rutan v. Republican Party of Ill.*, 497 U.S. 62, 72 (1990)).

"Vested" rights and "reliance" interests are property law concepts that may be relevant in the Due Process or Takings context, but do not apply to the First Amendment. Under the First Amendment, courts do not weigh the government's interests against a person's private economic "reliance" or proprietary interests; they weigh the government's interests against the *public's* interest in unfettered speech. *See, e.g.*, *Turner Broad. Sys., Inc. v. FCC*, 520 U.S. 180, 213-14 (1997) ("*Turner II*").[11] In

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[11] Non-economic "reliance" and expectation interests are similarly irrelevant to the First Amendment analysis. For instance, there are all sorts of time, place and manner regulations on speech that governments *could* constitutionally

Turner II, *Ward v. Rock Against Racism*, 491 U.S. 781 (1989), and the other governing cases cited by both parties, this Court nowhere incorporated property interests into its First Amendment analysis. *See, e.g.*, *Turner II*, 520 U.S. at 213-14 (citing *Ward*, 491 U.S. at 799).[12]

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enact, but have not implemented. Speakers' "reliance" on the absence of past regulation, however, does not give them a right to be exempt from otherwise constitutional future legislation, if and when passed. *See, e.g.*, *Hill v. Colorado*, 530 U.S. 703 (2000) (upholding restriction on speech within 100 feet of entrance to health care facilities, even though petitioners had engaged in "sidewalk counseling" within 100 feet of entrances to abortion clinics prior to enactment of statute); *Frisby v. Schultz*, 487 U.S. 474 (1988) (sustaining ordinance that prohibited picketing "before or about" any residence after noting that appellees had engaged in precisely the same kind of activity prior to enactment of ordinance).

[12] Petitioners take out of context *dicta* from *Dastar Corp. v. Twentieth Century Fox Film Corp.*, 539 U.S. 23, 33-34 (2003), referring to a "federal right" to "copy and to use" works in the public domain. No one disputes the existence of such a right – which *Dastar* identified as a copyright right, not a First Amendment right, in the course of analyzing the Lanham Act, not the Copyright Act – but here, the works in question are *not* in the public domain, because Congress restored copyrights in them. *Dastar* itself refers to that possibility, *see id.* at 34 ("When Congress has wished to create such an addition to the law of copyright, it has done so with much more specificity . . . .") The *Dastar* dicta makes the non-controversial statement that unless the Copyright Act prohibits copying of a work, individuals have a right to copy the work; it says nothing about which works the Copyright Act may or may not prohibit from being copied.

B. To the Extent the First Amendment Requires Additional Balancing of the Government's Interest in Enacting Section 514, the Court Must Defer to the Political Branches' Identification of the Foreign Policy Interests of the United States.

As set forth above, First Amendment scrutiny of the URAA is not necessary because the statute preserves the "traditional contours" of copyright. To the extent intermediate (or other) scrutiny is applied, however, including because enactment of Section 514 was constitutionally authorized but altered the "traditional contours" of copyright, the governmental interest that is to be weighed must be evaluated in the appropriate foreign policy context. Petitioners' attempt to substitute their own or the judiciary's judgment for that of the political branches as to what are the international obligations and foreign and economic policy interests of the United States must be rejected. In the foreign policy arena, it is the political branches' determination of the nature and importance of the government's interest that must be accorded great deference.

1. The Political Branches, Not the Judiciary, Determine the Nature and Extent of the Government's "Interest" on Questions of Foreign Policy.

The implementation of treaties and the regulation of foreign trade, which form a part of the foreign policy of the United States, come within the purview of the political branches, and any determination of a treaty's requirements – or the consequences of non-compliance – requires the courts

to give great weight to the Executive Branch's reasonable views. *See Sumitomo Shoji America, Inc. v. Avagliano*, 457 U.S. 176, 184 & n.10 (1982). Moreover, when Congress and the Executive act together in the arena of international affairs, as is the case with respect to Section 514, their power is at its highest. *See Crosby v. Nat'l Foreign Trade Council*, 530 U.S. 363, 386 (2000); *Oetjen v. Central Leather Co.*, 246 U.S. 297, 302 (1918) ("The conduct of the foreign relations of our government is committed by the Constitution to the executive and legislative – 'the political' – departments of the government, and the propriety of what may be done in the exercise of this political power is not subject to judicial inquiry or decision.").

Instead of deferring to the political branches' reasonable interpretation of Berne and its requirements, however, petitioners and the *amici* supporting them ask the Court to accept their own, alternative readings of what the Treaty means and what it requires. As the court of appeals recognized, however, the construction of Berne and its requirements, and the extent to which interpreting and implementing Berne in a particular way impacts international trade, are *themselves* foreign policy interests of the United States, and therefore compel deference to the government's position. *See, e.g.*, *Golan*, 609 F.3d at 1081, 1085 (citing cases); *Sumitomo*, 457 U.S. at 184-85 ("Although not conclusive, the meaning attributed to treaty provisions by the Government agencies charged with their negotiation and enforcement is entitled to great weight."); *El Al Israel Airlines, Ltd. v. Tseng*, 525 U.S. 155, 168 (1999) ("Respect is ordinarily due the

reasonable views of the Executive Branch concerning the meaning of an international treaty."); *O'Connor v. United States*, 479 U.S. 27, 33 (1986); *Kolovrat v. Oregon*, 366 U.S. 187, 194 (1961).

Similarly, petitioners and their *amici* repeatedly contend that the United States does not have a valid foreign policy interest in protecting the copyright interests of United States citizens abroad, and is acting only on behalf of "private economic" interests, apparently because the government did not supply "specific factual data." The Executive is entitled to substantial deference regarding its determination of the foreign policy interests, including foreign economic interests, of the United States, however, and petitioners advocate the wrong standard in asking this Court to evaluate the substantiality of the government's foreign policy interest. *See, e.g.*, *Regan v. Wald*, 468 U.S. 222, 242 (1984) ("Matters relating 'to the conduct of foreign relations . . . are so exclusively entrusted to the political branches of government as to be largely immune from judicial inquiry or interference.'") (holding deprivation of liberty interest justified by Executive's determination of foreign policy interest) (quoting *Harisiades v. Shaughnessy*, 342 U.S. 580, 589 (1952)). The United States has instituted WTO dispute resolution proceedings to compel international adherence to Article 18 of Berne, *see, e.g.*, Resp. Br. at 48 n.22, and in such circumstances it is plain error to posit, over the government's objections, that the United States has not established it has a legitimate foreign policy interest in the reciprocal protection of United States citizens' Article 18 rights abroad.

Of course, a statute is not shielded from First Amendment scrutiny simply because the government has a powerful foreign policy interest in the legislation. *See, e.g., Hamdi v. Rumsfeld*, 542 U.S. 507, 536 (2004) ("[The Constitution] most assuredly envisions a role for all three branches when individual liberties are at stake").[13] But in determining what the government's foreign policy interest *is* for purposes of applying a First Amendment balancing test, the courts are required to give great deference to the political branches, as the Tenth Circuit recognized in its second opinion below. *Golan*, 609 F.3d at 1084-85.[14] As has been noted previously in the Foreign Commerce Clause context, "This Court has little competence in determining precisely when foreign nations will be offended by particular acts, and even less competence in deciding how to balance a particular risk of retaliation against the sovereign right of the United

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[13] No one, including *amicus*, is suggesting that the Court should abdicate the judicial role because a case involves foreign policy matters. *See Holder v. Humanitarian Law Project*, 130 S.Ct. 2705, 2727 (2010). Rather, the point is that if courts defer to the government's expression of its interest when the government is directly restricting core liberty rights (such as the right to travel in *Regan v. Wald*), then surely the government's expression of the United States' interest in implementing international trade legislation is entitled to equal deference.

[14] That a government action, taken in pursuit of foreign policy interests, deprives persons of their vested *property* rights does not invalidate the government action – rather, it creates a right of recovery against the government, under the Takings clause or otherwise. *See Dames & Moore v. Regan*, 453 U.S. 654, 689 (1981).

States as a whole[.]" *Container Corp. of Am. v. Franchise Tax Bd.*, 463 U.S. 159, 194 (1983). Such questions are entrusted to the discretion of the political branches, and petitioners are not entitled to use the courts as a forum for debating with the government what the *actual* foreign policy interest of the United States might be in enacting a restoration regime.

Petitioners consistently have attempted to remove this case from the foreign policy context, despite the fact that, at its core, Section 514 deals with the implementation of a treaty (Berne) and an international agreement with its own dispute resolution mechanisms (TRIPs), and was implemented as a small part of wide-ranging trade legislation. If the Court deems it necessary to apply intermediate scrutiny to Section 514, however, in doing so it should pay appropriate deference both to the political branches' determination of the United States' actual interests in the conduct of foreign relations, and to the Executive's treaty interpretation. In balancing the amount of speech affected against the government's interest in complying with Berne and effectuating the foreign policy of the United States, it is the political branches' position, not petitioners', that should be placed on one side of the scale.

When properly analyzed, the government's substantial interest in enacting Section 514 clearly outweighs the corresponding restrictions on speech, as the United States persuasively argues in its brief. *See* Resp. Br. at 42-53.

C. Section 514 Expands the Incentives and Opportunity for Speech and Public Debate

Petitioners and their *amici* consistently assert that Section 514 is antithetical to the public purposes of copyright, particularly in the digital age. In doing so, they elide certain important distinctions: Restoration of copyright, for instance, does not prohibit "influence" by restored works on new works, or the use of scenes a faire; it does not stop the public from reading, listening to, or viewing copies of works that are already in existence. Nor does Section 514 eliminate the special rules applicable to libraries, certain charities, and their collections, which allow them to reproduce and distribute works that remain under copyright. *See, e.g.*, Copyright Act § 108, 17 U.S.C. § 108.

More importantly, however, Section 514 substantially supports and encourages creativity and speech in critical ways overlooked by petitioners and integral to the digital age.

One of the remarkable things about the Internet is that it provides the previously unimaginable opportunity for cheap and wide-ranging distribution of works and archives in digital format. Many authors and their heirs are happy to make their works available in such a format, *provided, however, that the protections of copyright remain available to preserve the author's economic interests.* If foreign authors' works are not protected in the United States, however, they will be less likely to make such works digitally available, because by releasing physical control they are also giving up economic control. The end result is that the public is

deprived of access to the works – access that otherwise would have been granted, perhaps even under an open or creative commons license.

Imagine a renowned European photographer or artist whose pictures were published in a newspaper fifty years ago without U.S. registration or notice. In the absence of restoration, those works would be unprotected by copyright in the U.S. – but even if they could be located, the copies available will likely be of low quality and in low resolution. The artist might be more than willing to post high resolution digital images on the Internet, except for the fact that in the United States such images would not be protected by copyright, thereby undermining the artist's ability to control the works artistically and exploit them economically. Thus, the *absence* of copyright actually deprives the public of access to an important body of speech. And although petitioners and their supports tend to focus mostly on low economic value works such as orphan works, the truth is that in the absence of restoration it is high value, in demand works that are most likely to be held back from the public at large, precisely because they have an ongoing economic value that cannot be defended if they are both accessible *and* unprotected by copyright.

It is also fully evident that the passage of Section 514 has not had *any* negative effect on the digital commons. Most of the *amici* who tell this Court that their businesses will be threatened or ruined by Section 514 *started* those businesses *after* the provision's enactment. (Google, for instance, was founded in 1998.) Restoration did not deter them from doing so, it did not prevent the development of

the Internet, and it did not deter them or anyone else from investing in the spread of knowledge, digitally or otherwise. Restoration apparently did not even concern any of them enough for them to bring a suit challenging the law. The *amici* say that Section 514 destroys the incentive to invest, but in actuality they made the economic decision to do precisely that, calculating that any risks posed by restoration were smaller than the relatively minor costs involved in challenging the law.[15]

Authors and their successors, who have an economic, artistic, and emotional interest in their works of authorship, are more often than not the primary drivers of ongoing creative uses of those works. They fight to keep them alive, evolving, and vibrant, including because of their copyright interest in doing so. There is no reason to think that copyright owners will not make similar efforts to push for the development of new and derivative uses of restored works, merely because they are restored, or to conclude that the societal benefits of those efforts will be less valuable than the endless "aggregation" of others' creative content that sometimes appears to be the ultimate goal of

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[15] Google, for example, which acknowledges that it has copied approximately 1,000,000 restored works, cites no Section 514 litigation to which it is a party. As the government notes, only approximately 50,000 restoration notices were filed in the Copyright Office during the primary window for doing so. Resp. Br. at 41. Neither petitioners nor their *amici* have identified any material number of direct notices that have been subsequently sent to individual parties, indicating that the actual risk of "instability" with respect to restored works going forward is pretty low.

petitioners and their supporters. In any event, Congress has made the decision that restoration of copyright is likely to lead to these positive societal goals, a determination precisely of the type that this Court in *Eldred* held should not be undermined or second guessed.

Conclusion

For the foregoing reasons, the decision of the Court of Appeals for the Tenth Circuit should be affirmed.

Respectfully submitted,

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AMICUS CURIAE BRIEF

No. 10-545

In The Supreme Court of the United States

LAWRENCE GOLAN, et al.,

Petitioners,

v.

ERIC H. HOLDER, JR.,
Attorney General, et al.,

Respondents.

On Writ Of Certiorari To The United States Court Of Appeals For The Tenth Circuit

BRIEF FOR THE INTERNATIONAL PUBLISHERS ASSOCIATION, INTERNATIONAL FEDERATION OF SCHOLARLY PUBLISHERS, INTERNATIONAL ASSOCIATION OF SCIENTIFIC, TECHNICAL & MEDICAL PUBLISHERS, BÖRSENVEREIN DES DEUTSCHEN BUCHHANDELS E.V., INTERNATIONAL FEDERATION OF REPRODUCTION RIGHTS ORGANISATIONS, AND COPYRIGHT CLEARANCE CENTER, *AMICI CURIAE*, IN SUPPORT OF RESPONDENTS

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TABLE OF CONTENTS

Page

TABLE OF AUTHORITIES iii

INTEREST OF THE *AMICI CURIAE* 1

SUMMARY OF ARGUMENT 3

ARGUMENT 5

I. WHY HISTORY MATTERS 5

A. The United States Had No International Copyright Relations for 100 Years 7

B. The U.S. Missed the Early Opportunity for Membership in Berne 13

C. Congress Enacts the 1909 Copyright Act, a Further Barrier to Berne 14

D. Congress Restored Foreign Copyrights Under the 1909 Act 17

E. With the 1976 Copyright Act, the United States Began the Final Trek Toward Full International Copyright ... 18

II. THE UNITED STATES FAILED TO COMPLY WITH ALL ITS OBLIGATIONS WHEN IT JOINED THE BERNE CONVENTION 21

III. CONGRESS HAS THE POWER TO RESTORE FOREIGN COPYRIGHTS 25

TABLE OF CONTENTS – Continued

Page

A. The History of Copyright Restoration Shows That Congress Understood That It Had the Power to Restore Copyright Protection When Circumstances So Warranted 25

1. Private bills 25

2. World War I restoration act 27

3. World War II restoration act 28

4. NAFTA and URAA 29

IV. SECTION 514 DOES NOT VIOLATE THE FIRST AMENDMENT 31

A. Because the URAA Is Within the Traditional Contours of Copyright Law, It Does Not Warrant Heightened First Amendment Scrutiny 31

B. Even If Intermediate Scrutiny Applies, Section 514 Is Constitutional 33

1. Compliance with Berne is a substantial governmental interest 33

2. Restoration is necessary to comply with Berne 35

3. The URAA accommodates the importance of adhering to the Convention without unduly burdening speech 38

CONCLUSION 42

TABLE OF AUTHORITIES

Page

CASES

Abbot v. Abbot, 130 S. Ct. 1983 (2010) 34

Eldred v. Ashcroft, 537 U.S. 186 (2003) 25, 31, 32, 39

New York Trust Co. v. Eisner, 256 U.S. 345 (1921) 25

Turner Broad. Sys., Inc. v. FCC, 520 U.S. 180 (1997) 33

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U.S. Const., amend. I 31, 32, 33, 38

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General Agreement on Tariffs and Trade, 1867 U.N.T.S. 187, 33 I.L.M. 1153 (1994) 6, 22, 23

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TABLE OF AUTHORITIES – Continued

Page

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17 U.S.C. §102(a)(1) 32

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17 U.S.C. §102(a)(7) 32

17 U.S.C. §102(a)(8) 32

17 U.S.C. §104A 4, 6, 23

17 U.S.C. §104A(d)(2) 30, 40

17 U.S.C. §104A(d)(2)(A) 40

17 U.S.C. §104A(d)(2)(B) 40

17 U.S.C. §104A(d)(3) 31, 39

17 U.S.C. §104A(d)(3)(A) 39

17 U.S.C. §104A(e) 40

Act for the Relief of Levi H. Corson, ch. 57, 9 Stat. 763 (Feb. 19, 1849) 26

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TABLE OF AUTHORITIES – Continued

Page

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TABLE OF AUTHORITIES – Continued

Page

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TABLE OF AUTHORITIES – Continued

Page

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TABLE OF AUTHORITIES – Continued

Page

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INTEREST OF THE *AMICI CURIAE*[1]

The *amici curiae* "Foreign Publishers" and their members and affiliates represent organizations from Berne countries all over the world, which are the treaty partners of the United States in the Berne Convention for the Protection of Literary and Artistic Works.[2] They are dedicated to implementing laws and public polices important to authors and to publishing worldwide. In particular, they are interested in ensuring the fulfillment of the Berne principle that each member of the Berne Union will offer the protection of its own copyright laws to the authors and other copyright owners of other Union members whose works are still in copyright in their countries of origin.

The International Publishers Association (IPA) is the international industry federation representing all aspects of book and journal publishing. Established in 1896, IPA actively fights against censorship and promotes copyright, literacy, and freedom to publish on behalf of its member associations and publishers in

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[1] No counsel for a party to this action authored any part of this brief, and no party or counsel for a party made a monetary contribution intended to fund the preparation or submission of this brief. The Court has docketed letters from each party (Apr. 19 and May 20, 2011) consenting to the filing of *amicus curiae* briefs, and the parties were notified on July 18, 2011, of the Foreign Publishers' intent to file this brief.

[2] Berne Convention for the Protection of Literary and Artistic Works, concluded July 24, 1971 (Paris), S. Treaty Doc. No. 27, 99th Cong., 2d Sess., 1161 U.N.T.S. 3 (1986) ("Berne Convention" or "Berne").

more than 55 countries. The International Federation of Scholarly Publishers is an association of non-profit scholarly publishers. Among its aims are fostering not-for-profit scholarly publishing worldwide and ensuring that copyright and freedom to publish are strongly defended. The International Association of Scientific, Technical & Medical Publishers, founded in 1969 and based in the Netherlands, comprises approximately 100 scientific, technical, medical, and scholarly publishers, collectively responsible for more than 60% of the global annual output of scientific and technical research articles, over half the active research journals, and tens of thousands of print and electronic books, reference works, and databases. Börsenverein des Deutschen Buchhandels e.V., founded in Leipzig in 1825, is the sole organization representing all levels of the book trade in Germany; its publishers generate 90% of all publishing turnover in Germany.

The 131 worldwide members of the International Federation of Reproduction Rights Organisations, based in Brussels, work to foster the lawful use of copyrighted text and images, to complement creators' and other rightsholders' own activities, and to eliminate unauthorized copying, through collective management of rights. Copyright Clearance Center, Inc., a U.S. entity with a subsidiary in the Netherlands, is concerned that the Berne principles be implemented for both foreign and domestic copyright holders through the mechanism of collective copyright management of text-works.

SUMMARY OF ARGUMENT

The Foreign Publishers believe that it is important to the international copyright relations of the 164 Berne countries, including the U.S., that the decision of the court of appeals be affirmed. At a time when copyrighted works move around the world in a matter of minutes, it is critical that the nations of the world operate under reasonably uniform and cooperative copyright regimes. For most of its history, the U.S. stood outside the international copyright community, and its signing of the Berne convention, almost 200 years after the 1790 Copyright Act, reflects the maturation of a great nation and its desire at last to cooperate with the world community to foster the benefits of copyright, including a vibrant public domain.

When the U.S. joined Berne in 1988, its authors and other rightsholders obtained the benefits of membership – copyright protection of all their works – in the 77-member Berne Union. Effective January 1, 1996, the U.S. finally completed the bargain under Berne by restoring to U.S. copyright those foreign works still in copyright in their Berne countries of origin – even those whose copyrights had lapsed because of failure to comply with U.S. formalities – for whatever term of copyright, if any, remained to those works. That result was effected by §514 of the Uruguay Round Agreements Act (URAA), which is at the center of this case.

In restoring those copyrights, the U.S. followed the same procedures that it had followed before when circumstances, especially circumstances affecting international relations, warranted restoration. In addition to private legislation during the 19th century, the U.S. has five times in the 20th century enacted legislation to restore copyrights: the Trading with the Enemy Act, two wartime acts, the North American Free Trade Agreement, and the URAA's §514 (codified at 17 U.S.C. §104A). All the acts provided for reliance parties, but §514 also provided additional protections for reliance parties who had created derivative works embodying some level of their own expression.

These repeated congressional acts demonstrate that Congress has always behaved as though the right of restoration is within its powers, although the relatively infrequent exercise of those powers reflects Congress' understanding that they should be invoked only when there are exceptional public policy reasons for acting. In addition, any possible impact that restoration might have on protected speech rights is overcome by fair use and the copyright doctrine that copyright does not protect ideas. Even if intermediate scrutiny were required, Congress' careful balance of the competing interests reflects a tailored and narrow solution.

It is important that one of the largest producers and consumers of copyrighted materials be a fully functioning member of Berne. Section 514 is critical to that effectiveness because it extends the benefits of U.S. copyright to the foreign members of Berne. For

the U.S. to be a member of Berne without restoration legislation, a path that Petitioners advocate, would be a continuation of the nearly 200 years in which the U.S. was either openly hostile or not very hospitable to foreign copyright owners and would cloud the promise of its entry into Berne.

To avoid that outcome, the Foreign Publishers urge this Court to affirm the decision of the court of appeals.

ARGUMENT

I. WHY HISTORY MATTERS.

The Foreign Publishers represent authors and other rightsholders from nations that are treaty partners of the U.S. in the Berne Convention, the major international copyright convention. The U.S. signed Berne in 1988, almost 200 years after the U.S. enacted its first copyright law. As a result, the 77 members of the Berne Union extended copyright protection in their countries on the basis of "national treatment" to *all* works that were in copyright in the United States, not only "new works," as Petitioner contends, Pet. Br. 7.[3]

[3] "National treatment" refers to the obligation of each treaty partner to extend the copyright protection accorded authors in its own country to the works of authors in the countries of the other treaty partners that have not fallen into the public domain

(Continued on following page)

The Berne members had every right to expect that after receiving the benefits of membership, the U.S. would reciprocate. But the United States did not immediately embrace its treaty obligations; only after a dismaying delay (and the threat of sanctions) did it finally enact legislation, the Uruguay Round Agreement Act (URAA),[4] which restored to the remainder of their U.S. copyright terms (if any) millions of foreign works lost under U.S. law for failing to comply with the intricacies of formalities under the 1909 Copyright Act.

The Foreign Publishers do not dismiss Petitioners' concerns about the importance of the public domain, but they see that concern in the context of a longer history of the U.S. position in the world copyright

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in those countries because of the expiration of the term of copyright there. Berne Convention, *see supra* n.2, Art. 2(6).

[4] Pub. L. No. 103-465, 108 Stat. 4809, 4973 (1994). Title V of the URAA relates to Intellectual Property, and Sections 511-14, pertaining to copyrights, are codified at 17 U.S.C. §104A. The Uruguay Round of the General Agreement on Tariffs and Trade (GATT) concluded with the World Trade Agreement, establishing the World Trade Organization (WTO). Marrakesh Agreement Establishing the World Trade Organization, Apr. 15, 1994, 1867 U.N.T.S., 33 I.L.M. 1144 (1994). Annex IC to the WTO Agreement is the Agreement on Trade-Related Aspects of Intellectual Property (TRIPs). Articles 9-14 of TRIPs address copyright and related rights; Article 9 specifically requires members to comply with Articles 1-21 of the Berne Convention (1971), excluding its Article 6*bis*. The URAA implements and expressly "approves" TRIPs (and the other subsidiary agreements). URAA, title I, subtitle A, §101(a), (d)(15). Article 64 of TRIPs provides that specified articles of GATT 1994 will govern disputes under TRIPs.

community and also a broader view of the public benefits (not only the public domain) that should influence a country's international copyright policies. As the Foreign Publishers see it, the U.S.'s joining the Berne Union presented the means for achieving more uniform international copyright relations with many nations and was the culmination of several distinct phases of U.S. copyright policy (not all very high-minded) that changed with the growth of the country.

The URAA, which Petitioners seek to dismantle, implemented the U.S. obligations to its foreign treaty partners while also taking account of the interests of reliance parties, especially those who had created derivative works. For reasons discussed below, the Foreign Publishers do not believe that law and history support Petitioners' arguments. Moreover, the Foreign Publishers believe this Court's deliberations may be assisted by seeing the development of the United States' role in the international copyright community from the vantage point of the U.S.'s foreign treaty partners.

A. The United States Had No International Copyright Relations for 100 Years.

Petitioners' repeated references to the 200 years of U.S. copyright law, Pet. Br. 3, are inaccurate in the context of protection of works of foreign origin. The stark facts, as described in the 1959 Copyright Law

Revision Study on the Protection of Works of Foreign Origin, are that

> Under our first federal statute, adopted in 1790, the published works of U.S. citizens and residents only were eligible for protection. This situation remained unchanged for a hundred years. * * * The United States did not participate in the creation of the Berne Union [in 1886] and has never become a member of it. Nor did the United States, during the first century of federal copyright legislation, make any bilateral arrangements with any foreign country for reciprocal copyright protection.[6]

There is no evidence, and Petitioners cite none, that the Congress' 100 years' rejection of copyright protection for any works but those of U.S. authors had anything to do with its concern for the protection of the public domain. The evidence, both statutory and in practice, is that Congress intended to limit copyright protection to U.S. citizens and residents as a means of protecting domestic interests at the expense of foreign authors and their publishers.

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[6] Arpad Bogsch, Study No. 32 Protection of Works of Foreign Origin, prepared for the Subcomm. on Patents, Trademarks and Copyrights of the Sen. Judiciary Comm., 86th Cong., 2d Sess., pursuant to S. Res. 240 (1959). The revision studies were the beginning of the long process that resulted in the 1976 Copyright Act, 17 U.S.C. §101 *et seq.* ("1976 Act").

This conclusion is supported by the language of the first Copyright Act.[6] Sections 5-6 of that Act expressly permitted the works of *foreign* authors to be imported, sold, published and republished in the United States without payment of royalties and deprived non-resident foreign authors of a cause of action for unauthorized publication of manuscripts.

As a result of these provisions, U.S. publishers and printers businesses acted as do the publishers and printers (and digitizers) of many developing nations whose piracy the U.S. currently attempts to stop. They published, without permission and without paying royalties, the works of foreign (usually British) authors sought by the large population of American readers. This brought hardship not only upon foreign authors and publishers,[7] but American authors too. Rather than publishing American authors, which required paying royalties, American publishers preferred publishing cheap editions of British authors to whom they paid nothing.[8] American authors who sought to

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[6] 1st Cong. ch. 15, 1 Stat. 24 (1790).

[7] English authors found some relief from this practice in the United States because the larger, more respectable, publishers observed something known as "trade courtesy." S. Rep. No. 622, 50th Cong., 1st Sess. (1888) ("Chace Act Report"), Part 2 (reprinting S. Rep. No. 1188, 49th Cong., 1st Sess. 16-17 (1886) (testimony of publisher Henry Holt)); Samuel Ricketson, *The Birth of the Berne Union*, 11 Colum.-VLA J.L. & Arts 9, 13-14 (1986) ("Ricketson").

[8] Chace Act Report, Part 1 at 6 (statement of E. C. Stedman, of the American Copyright League, describing Washington Irving's 1840 letter to the *Knickerbocher* illustrating the problem).

publish in England were often met with low terms because English publishers used their losses in the United States as an excuse either for not publishing American authors or for publishing them on less favorable terms.[9] It was because of this record that Senator Jonathan Chace characterized the United States as "the Barbary coast of literature," and "the buccaneers of books."[10]

In the first of many 19th century efforts to introduce legislation protecting foreign authors, Henry Clay in 1837 presented the Senate with a petition from British authors, complaining that American publishers were printing their works (sometimes abridged without authority) without paying royalties, in support of a bill to extend copyright protection to foreign authors.[11] The draft legislation was reported unfavorably because

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[9] At times during the late 18th and 19th centuries it was understood, based on various English cases (some of which were later overturned) that a foreigner who went to or resided in Britain and first published a work there could obtain copyright and sue for infringement. Simon Nowell-Smith, *International Copyright Law and the Publisher in the Reign of Queen Victoria* 33-39 (1968). Once copyright was obtained, American authors then claimed copyright protection (and royalties) in foreign countries with which Britain had copyright relations. *See* Chace Act Report, Part 2 at 24-25 (testimony of S.L. Clemens).

[10] Chace Act Report, Part 1 at 2 (Senator Chace).

[11] Senate Journal 192, 24th Cong., 2d Sess. (1837). The petition was also presented before the House shortly afterward, House of Representatives Journal 400, 24th Cong., 2d Sess. (1837), along with a petition of prominent American authors and journalists.

of a "floodgate" of negative memorials that "deluged" both houses of Congress on behalf of U.S. publishers and book manufacturers, especially the typesetters, the same result that greeted several later efforts before and after the Civil War.[12]

The issue later attracted a new advocate in Senator Jonathan Chace of Rhode Island, who held hearings in 1886 before the Senate Judiciary Committee, but again legislation was rejected because of concerns that protection of foreign authors would harm U.S. book manufacturers and typesetters. Senator Chace renewed his efforts in 1887, but this time supported by academicians and the typographical unions, won over by the addition to the legislation of a provision that a work by a foreign author must be typeset in the United States to secure protection. The International Copyright Act, a bilateral treaty with England, known as the "Chace Act," was finally achieved in 1891,[13] 101 years after the 1790 Copyright Act, at the cost of imposing on foreign authors the burdens of the so-called manufacturing clause, *see infra* n.19.

The Chace Act extended the provisions of U.S. copyright laws to citizens of foreign nations, but only if those nations granted U.S. authors the benefit of

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[12] James J. Barnes, *Authors, Publishers and Politicians, The Quest for an Anglo-American Copyright Agreement 1815-1854*, 61-67, 216-62 (1974).

[13] 51st Cong., ch. 565, 26 Stat. 1106 §13 (1891).

their copyright laws on substantially the same basis as they did to their own citizens or if those nations were party to an international agreement that provided for copyright reciprocity and would permit the United States to become a party if it chose.

While the hearings accompanying the Chace Act Report are full of the nuts and bolts of the likely effect of the legislation on royalties, trade, and the cost of books, and explanations for why American typographers and printers wanted books to be printed in America, Senator Chace's opening statement shows that he believed that the cause of international copyright was motivated by more serious considerations – fairness, morality, and the common decency that befits a country that has matured and seeks the respect of the community of nations. As he said:[14]

> There is abundant evidence of an awakening sense on the part of the American people to the wrong that we are doing to ourselves as a people in postponing the just recognition of the rights of foreign authors and doing violence to that proper sense of international comity which ought to govern the actions of so enlightened a nation.
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[14] Chace Act Report, Part 1 at 1-2; Senator Chace was not alone in evaluating American sentiment in favor of international copyright protection. *See, e.g.*, 2 Anthony Trollope, *Autobiography* 151 [Chapter XVII] (1883) ("But the argument [against international copyright], as far as I have been able to judge, comes not from the people, but from the bookselling leviathans."); G.H. Putnam, *Memoirs of a Publisher 1865-1915* 381 (1915).

> This is a simple question of our moral obligation as a nation to recognize the property rights of foreign authors. * * * All the other nations of the earth accept the same principle. The difference between our position and that of all other nations is that they not only protect the individual who is a foreigner in his common-law rights to property, but they protect also his property under copyright. In this respect we are, to our disgrace, behind all the other nations.

B. The U.S. Missed the Early Opportunity for Membership in Berne.

The principal impetus among European countries for a multilateral convention on copyright seems to have been the desire to replace their intricate network of bilateral agreements with an agreement based on the principle of national treatment and uniform substantive terms such as scope of protection, rights, duration of term of copyright, and formalities. To achieve that, representatives of the countries met several times, culminating in 1886 when 12 countries were represented, with Japan and the United States observing. Within 12 years, Japan, Sweden, Norway, the Netherlands, and Austria-Hungary had also signed Berne.[15]

Invited to the 1883 conference, the U.S. made no commitment to attend, responding that "while it

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[15] Ricketson, *supra* n.7, at 29-30.

accepted, in principle, the proposition . . . in favor of international protection, it saw immense practical obstacles to achieving this, particularly the threat posed to local manufacturing interests involved in the production of copyright works."[16] At that time, the U.S. had not yet even enacted the Chace Act. At the final Berne conference in 1886, the head of the U.S. delegation stated that although the U.S. was not ready to join, it did not wish to be understood to oppose the Convention, and it "desires to reserve without prejudice the privilege of future accession to the Convention, should it become expedient and practicable to do so. . . ."[17] It would be another 100 years before changes in U.S. law permitted the United States to join.

C. Congress Enacts the 1909 Copyright Act, a Further Barrier to Berne.

As the new century began, America's businesses were prospering and beginning to realize the benefits of trade and business with the rest of the world. Congress passed a new Copyright Act in 1909, which applied to an author who was a citizen or subject of a foreign country if that foreign country met either of the conditions for a foreign author to qualify for protection under the Chace Act or if the foreign author

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[16] *Id.* at 23.

[17] *Id.* at 29-30.

was domiciled in the United States at the time of first publication of his work.[18]

The structure of the 1909 Act disqualified the United States from becoming a member of Berne. Publication with notice, registration and renewal of copyrights, deposit of works with the Copyright Office, and, for English-language works, compliance with the manufacturing clause[19] were all incompatible with the Berne Convention's basic tenet of extending copyright protection to members without conditions. Complying with these formalities was difficult enough for U.S. authors; the hardship was compounded for foreign authors.

As U.S. copyright-based businesses became engaged in more international activities, the United States also began to enter into an increasing number of bilateral agreements with other countries as the European countries had done in the middle of the 19th century before settling on the Berne Convention solution.[20] In 1952, attempting to ensure protection

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[18] Pub. L. No. 60-349, 35 Stat. 1075 (1909) ("1909 Act").

[19] *Id.* §15; the (detested) clause required that English-language works of foreign origin be printed from type set within the limits of the U.S., or from plates made within the limits of the U.S., and the printing of the text and binding of the books to be performed within the limits of the U.S., a requirement that was expensive and imposed considerable hardship on foreign authors and their publishers.

[20] *See* U.S. Copyright Office, Circular 38A, International Copyright Relations of the United States, available at http://www.copyright.gov/circs/circ38a.pdf (Nov. 2010).

for their authors in the United States, the European trading partners of the United States (all members of the Berne Convention) devised a convention, the Universal Copyright Convention (UCC), intended to permit them to belong to a multilateral convention with the United States.[21] Members agreed to treat the works of foreign authors as they treated their own. Article III(1) provided that any Contracting State which, under its domestic law, required any formalities – describing those required by the U.S. 1909 Act – must regard those requirements as satisfied with respect to works protected under the UCC. In other words, if foreign authors from UCC countries published their works with a copyright notice, the U.S. agreed to respect their copyrights, even if they did not comply with the initial U.S. formalities.[22] But authors still were required to renew copyrights at peril of losing copyright, a requirement that continued until 1992 (long after enactment of the 1976 Copyright Act), when renewal was made automatic for works copyrighted between January 1, 1964, and December 31, 1977.[23]

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[21] Universal Copyright Convention, 216 U.N.T.S. 133 (1952).

[22] To prevent Berne-member nations from abandoning that treaty in favor of the UCC, the UCC provides that if a member withdraws from Berne, it loses UCC protection. If a nation is a member of both conventions, Berne supersedes the UCC.

[23] Copyright Renewal Act of 1992, title I of the Copyright Amendments Act of 1992, Pub. L. No. 102-307, 106 Stat. 264.

D. Congress Restored Foreign Copyrights Under the 1909 Act.[24]

When there have been compelling circumstances, Congress has restored copyrights that had lapsed or were likely to lapse. In 1917 it passed the Trading with the Enemy Act, providing that an enemy or an ally of an enemy, who was unable during war to take actions relating to prosecuting U.S. patents, copyrights, and trademarks during prescribed periods would be granted an extension, so long as the applicant's nation extended the same privileges to U.S. citizens.[25]

During both World Wars, recognizing that wartime activities had made it impossible for copyright owners to comply with various formalities of the 1909 Act,[26] the United States enacted laws providing that any foreign work protectable under the 1909 Act that was first produced or published abroad during wartime would be protected by the Act so long as the foreign copyright proprietor complied with the requisite formalities of the Act within specified times.[27]

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[24] In addition to the legislation described in this section, Congress also enacted several private bills in the 19th century relating to lapsed copyrights. *See infra* Part III.A.1.

[25] Trading with the Enemy Act, Pub. L. No. 65-91 §§10(a), (b) and (c), 40 Stat. 411, 420 (1917).

[26] H.R. Rep. No. 66-79, 66th Cong., 1st Sess. 2 (1919); S. Rep. No. 66-326, 66th Cong., 2d Sess. 2-3 (1919) ("WWI Senate Report"); H.R. Rep. No. 77-619, 77th Cong, 1st Sess. 1-2 (1941); S. Rep. No. 77-571, 77th Cong., 1st Sess. 1 (1941).

[27] Act to amend sections 8 and 21 of the Copyright Act, Pub. L. No. 66-102. §§8 and 21, 41 Stat. 368, 369 (1919) ("WWI Act");

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It is noteworthy that in both cases, the legislation ensured that no liability would attach to any person or entity that had used the lapsed works during the period when the copyrights had lapsed.[28]

That early historical record, especially during the period in which the U.S. has maintained international copyright relations, makes plain that Congress always acted with the understanding that it was empowered under appropriate circumstances to restore copyrights to foreign works that had lapsed because of their failure to comply with U.S. copyright formalities.

E. With the 1976 Copyright Act, the United States Began the Final Trek Toward Full International Copyright.

Only a few years after the United States ratified the UCC, the Copyright Office began an effort to reexamine the copyright law with a view to its general revision. After 15 years of extensive studies, hearings with representatives from all parts of the copyright community, and reports, Congress passed the 1976 Act, effective January 1, 1978.[29] It had been drafted so as to make U.S. law more, although not yet entirely, compatible with Berne.

Act to amend section 8 of the Copyright Act, Pub. L. No. 77-258, 55 Stat. 732 (1941) ("WWII Act").

[28] *Id.*

[29] Pub. L. No. 94-553, §101, 90 Stat. 2541 (1976).

While it did not extend protection to all works regardless of nationality, it expanded the universe of protected foreign authors beyond those protected under the 1909 Act. But other changes went a long way to deleting many of the 1909 Act formalities. The term of copyright of new works and unpublished works was measured by the life of the author plus a term of years (deleting the renewal registration requirements);[30] registration became permissive, although it was still required as a condition for suit.[31] Publication with notice continued, but a cure provision for omitted notices was added that mitigated somewhat the absolute loss of copyright that would have resulted under the 1909 Act.[32] The manufacturing clause continued, but expired by its own terms in 1986, and was formally repealed in 2010.[33]

Interest in the Berne Convention revived in 1984, after the United States withdrew from UNESCO, which administers the UCC. In 1988, the U.S. joined

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[30] The term of copyright for 1909 Act works, if renewed, was extended to a period of 75 years and further extended to 95 years by the Sonny Bono Copyright Term Extension Act, title I of Pub. L. No. 105-298, 112 Stat. 2827 (1998).

[31] 1976 Act, §§302, 408(a), 411, 90 Stat. 2541, 2572-73, 2580, 2583.

[32] *Id.* §§401-405, 411, 90 Stat. 2541, 2576-78, 2583.

[33] *Id.* §601, 90 Stat. 2541, 2588-89; Pub. L. No. 97-215, 96 Stat. 178 (1982); Pub. L. No. 111-295 §4(a), 124 Stat. 3180 (2010).

Berne.[34] The significant changes for purposes of conforming to Berne were the elimination of notice as a condition to securing copyright and registration as a condition to filing infringement suits by copyright owners of non-U.S. works.[35]

But to the disappointment of the international community, while removing the last of the formalities in the 1976 Act, the United States did not then address its affirmative obligation under Berne's Article 18,[36] to restore works that had lost copyright because of formalities, but were still in copyright in their countries of origin. The URAA, which Petitioners challenge, was the piece of legislation that addressed that major treaty obligation.

In light of the 15-year effort leading to the 1976 Copyright Act, it was clear that the United States was positioning its laws with the ultimate objective of joining Berne. As Representative Kastenmeier observed, "It can safely be stated that Congress drafted and passed the 1976 Act with a 'weather eye' on Berne."[37] In other words, well before the U.S. signing of Berne, it was foreseeable that one day the U.S.

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[34] Berne Convention Implementation Act, Pub. L. No. 100-568, 102 Stat. 2853 (1988).

[35] *Id.* §§7(a), (b), 102 Stat. at 2857-58.

[36] S. Treaty Doc. No. 99-27 20, 1161 U.N.T.S. 3, 41.

[37] Berne Convention Implementation Act of 1987, Hearings on H.R. 1623 before the H.R. Comm., Subcomm. on Courts, Civil Liberties, and the Admin. of Justice, 100 Cong., 1st and 2d Sess. (1987 and 1988), Serial No. 50 ("Berne Hearings") at 1030.

would have to confront its obligations under Berne's Article 18 and restore copyright to works still in copyright in their Berne countries, but in the public domain in the U.S. It surely behooved anyone intending to build a business based on those foreign works, especially after the U.S. actually signed Berne, as did several of the Petitioners, *see* Pet. Br. 11, to consider the likely possibility that the U.S. would restore the copyrights of foreign works for the remainder, if any, of their copyright terms.

II. THE UNITED STATES FAILED TO COMPLY WITH ALL ITS OBLIGATIONS WHEN IT JOINED THE BERNE CONVENTION.

Barring a constitutional impediment, which the Foreign Publishers contend is not present in this case (*see* Parts III and IV), the Berne Convention as implemented by URAA is a binding obligation of the United States. If the U.S. ignores that obligation, it breaches the treaty.

The mutual pact at the center of the Berne Convention is each treaty-partner's promise of national treatment (*see supra* n.3). Article 18(1) of Berne states that "This Convention shall apply to all works which, at the moment of its coming into force, have not yet fallen into the public domain in the country of origin through the expiry of the term of protection."[38]

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[38] *See supra* n.36.

On March 1, 1989, the effective date of the Berne Convention for the United States, U.S. authors obtained the copyright protection in the 77-member Berne Union.[39] But the United States did not reciprocate.

Congress' "minimalist" approach to conforming the 1976 Act to Berne[40] eliminated only the conditions to obtaining and maintaining copyright disallowed by the Convention. Congress was emboldened to defer hard questions about Berne implementation by its awareness that Berne was widely understood to be "toothless," *i.e.*, unenforceable.[41] Indeed, Ambassador Clayton Yeutter, the U.S. Trade Representative, pointed out that Berne "does not have the kind of challenge mechanism that we have in the GATT where there are panel findings."[42] Because "a country that felt that our standards were inadequate and did not meet the minimums" would likely not avail itself of the cumbersome International Court of Justice procedures Berne allowed, the U.S. had "quite a bit of

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[39] Today, 164 countries have signed the Berne Convention.

[40] Berne Hearings 179 (Under Secretary of State Allen Wallis).

[41] Report of Dr. Mihály Ficsor ("Ficsor Report"), J.A. 90-93, 95 (¶¶20-23 & n.9).

[42] Berne Hearings 180.

flexibility" in determining what precisely Berne required.[43]

With the advent of TRIPs and the WTO, however, the risk of GATT-like enforcement caused Congress to take its Berne obligations more seriously.[44] As the Senate Judiciary Committee candidly acknowledged, "While the United States declared its compliance with the Berne Convention in 1989, it never addressed or enacted legislation to implement Article 18 of the Convention."[45] In 1994, faced with the realistic threat of sanctions if it did not comply with Berne, Congress finally addressed its Article 18 obligations and enacted Section 514 of the URAA,[46] which became §104A of the 1976 Act, effective January 1, 1996.[47]

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[43] *Id.*; *see also id.* at 199-200 (Irwin Karp, Chairman of the Ad Hoc Working Group on U.S. Adherence to the Berne Convention).

[44] *See* Ficsor Report, J.A. 94-98 (¶¶24-28).

[45] S. Rep. 103-412, Uruguay Round Agreements Act Joint Report of the Comm. on Finance, et al. of the U.S. Senate to Accompany S. 2467 (1994) ("URAA Joint Report") at 225. The U.S. is not alone in taking its Article 18 obligations seriously only on threat of WTO consequences. The Russian Federation, for example, explicitly declined to adopt any restoration when it joined Berne in 1995. Ficsor Report J.A. 149-51 (¶¶86-87). In 2004, however, as Russia prepared to accede to the WTO, it amended its copyright law to provide for restoration. *Id.*, J.A. 155-57 (¶¶96-97).

[46] Pub. L. No. 103-465, 108 Stat. 4809, 4976 (1994).

[47] Proclamation 6780 of March 23, 1995, to Implement Certain Provisions of Trade Agreements Resulting from the Uruguay

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In enacting the URAA, Congress carefully balanced several factors: (1) the U.S. had legal and ethical obligations to comply with treaty obligations, especially regarding foreign copyrights;[44] (2) the treaty partners were already protecting all U.S. works in all Berne-member countries, but the U.S. had not enacted legislation implementing Article 18; (3) any legislation must shield reliance parties who had used restored works during the period of their lapsed terms; and (4) any legislation must address the special circumstances of reliance parties who had created derivative works based on restored foreign works, thereby creating their own independently protected copyrights.

As shown below (Part IV.B.3.), URAA §514 carefully addressed all those factors. As the Foreign Publishers believe there is no constitutional barrier to URAA §514, they urge this Court to remove any doubts about the statute's validity and affirm the court of appeals. Plain fairness and respect among treaty partners require no less.

Round of Multilateral Trade Negotiations, and for other Purposes, §5(e), 60 Fed. Reg. 15845, 15846 (1995).

[44] General Agreement on Tariffs and Trade (GATT): Intellectual Property Provisions, Joint Hearing before the Subcomm. on Intellectual Property and Judicial Admin. of the H.R. Comm. on the Judiciary and the Subcomm. on Patents, Copyrights and Trademarks of the S. Comm. on the Judiciary on H.R. 4894 and S. 2368, 103d Cong., 2d Sess. (1994), H.R. Comm. on the Judiciary Serial No. 90 and S. Comm. on the Judiciary, Serial No. J-103-77.

III. CONGRESS HAS THE POWER TO RESTORE FOREIGN COPYRIGHTS

A. The History of Copyright Restoration Shows that Congress Understood That It Had the Power to Restore Copyright Protection When Circumstances So Warranted.

"To comprehend the scope of Congress' power under the Copyright Clause, 'a page of history is worth a volume of logic.'" *Eldred v. Ashcroft*, 537 U.S. 186, 200 (2003) (quoting *New York Trust Co. v. Eisner*, 256 U.S. 345, 349 (1921)). History shows that Congress has repeatedly and consistently recognized and used its powers to restore lapsed copyrights (*i.e.*, copyrights whose protections have expired for technical reasons, not because of the expiration of their terms). Far from being "unique in the history of American copyright law," Pet. Br. at 2, Section 514 follows a congressional tradition of restoring copyright to preexisting works in the service of a uniform and fair national and international copyright regime.

1. Private bills

During the 19th century, Congress passed several bills restoring specific copyrights, reflecting Congress' consistent understanding that it had the power to extend copyright protection to previously unprotected,

preexisting works.[49] For example, the 1849 "Act for the Relief of Levi H. Corson" restored the copyright of an almanac author who had mistakenly deposited his work in the wrong district, an error that, without congressional reprieve, would have immediately resulted in loss of copyright.[50] Because the copyright had lapsed, Congress attached two caveats to the restoration – the rights of people who had already printed or otherwise used the almanac were unaffected and Corson was required to "give public notice" before enforcing his restored copyright.[51] This early act already evidenced two of the key concerns of later restorations: fairness to authors who lose protection by failing to comply with technical formalities, and fairness for parties who have already used the work while it was unprotected.

That Congress did not frequently exercise its restoration power during the 19th century does not reflect a perceived lack of power. Congress simply did not confront situations that, in its estimation, called for more than isolated copyright restoration.

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[49] Act of Feb. 19, 1849, ch. 57, 9 Stat. 763; Act of Jan. 25, 1859, ch. 16, 11 Stat. 557; Act of May 24, 1866, ch. 99, 14 Stat. 587; Act of June 23, 1874, ch. 534, 18 Stat. 618.

[50] Act of Feb. 19, 1849, ch. 57, 9 Stat. 763.

[51] *Id.*

2. World War I restoration act

Congress exercised its restoration power on a broad scale in 1919, when World War I made compliance with 1909 Act formalities impossible for many foreign authors whose copyrights had lapsed. Congress responded with the WWI Act.[52]

Register Thorvard Solberg explained that "American authors have failed to secure copyright in Great Britain for their works published during the war, and British authors have lost protection for their works in the United States."[53] The Register urged Congress to restore the lost works through "an arrangement for the reciprocal, *retrospective protection* of works by American and British authors published during the war"[54] pointing out that Congress "has already enacted for the authors of Germany and Austria [under the 1917 Trading with the Enemy Act[55]] what this bill proposes to do for the authors of England, France, Belgium, and Italy."[56]

Congress responded by extending copyright protection to those works that had already lost protection under U.S. law. There was no suggestion in the congressional reports or during the floor debates that restoration was outside of Congress' constitutional

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[52] *See supra* n.27.

[53] WWI Senate Report, *see supra* n.26, at 3.

[54] *Id.* (emphasis added).

[55] *See supra* n.25.

[56] WWI Senate Report, *supra* n.26, at 3.

authority. Instead, faced with the "urgent need" for the measure,[57] and the desire to "assist in the promotion of cordial and friendly relations with the various foreign governments concerned,"[58] Congress believed that restoration of the lapsed copyrights was a legitimate response.

3. World War II restoration act

Congress acted again during World War II to protect "authors, copyright owners, or proprietors" of foreign works.[59] Authors who "may have been temporarily unable to comply" with U.S. copyright formalities could receive an "extension," allowing them to gain protection even after the original window for protection had closed.[60]

The 1941 legislation explicitly accounted for the rights of users who had acted before restoration.[61] Those users could be subject to "no liability . . . for lawful uses made or acts done prior to the effective date" of restoration or for one year thereafter for "any business undertaking or enterprise lawfully undertaken prior to such date involving expenditure or

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[57] *Id.*

[58] *Id.* at 2 (letter of Frank L. Polk, Acting Secretary of State).

[59] *See* WWII Act, *supra* n.27.

[60] *Id.*

[61] *Id.* Congress had made a similar allowance in the WWI Act, *supra* n.27.

contractual obligation."[62] Unlike URAA's §514 provisions for reliance parties, however, the relief was limited to those who had expended financial resources or entered into contracts, and no extra protection was extended to the creators of derivative works.

These acts cannot be dismissed with a simple reference to the "exigency of wartime." Pet. Br. at 40. Petitioners offer no evidence that, at the time, Congress considered its restoration activities to raise constitutional problems. Rather "Congress' recognition that . . . it would be inappropriate to deny protection to authors," *id.*, during wartime reflects a principled, not an unprincipled, compromise. Congress understood that the Constitution empowered it to restore copyrights in the face of exigent international circumstances and the chance to "assist in the promotion of cordial and friendly relations" among nations.[63]

4. NAFTA and URAA

Twice in the last 20 years, Congress has again found copyright restoration warranted. First, Congress moved to amend the 1976 Act to implement the North American Free Trade Agreement (NAFTA),[64] restoring copyrights for Mexican and Canadian motion pictures.[65] Like the URAA that superseded NAFTA

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[62] WWII Act, *supra* n.27.

[63] WWI Senate Report, *supra* n.26, at 2 (Polk letter).

[64] 32 I.L.M. 289 (1993).

[65] Pub. L. No. 103-182 §334(a), 107 Stat. 2057, 2115 (1993).

the next year, NAFTA protected reliance parties by making notice a prerequisite of restoration[66] and providing a one-year wind-down period.[67] Unlike the URAA, NAFTA made no special provisions for those who had created derivative works.

Second, Congress enacted the URAA. With the URAA, as with the wartime acts, Congress confronted several objectives, including reducing past unfairness to foreign authors, ensuring protection for U.S. authors in many nations, "assist[ing] in the promotion of cordial and friendly"[68] international relations, promoting strong, uniform international copyright norms, and ensuring that those objectives were enacted with minimal impact on reliance parties.[69] Like the 1919 and 1941 wartime acts, NAFTA, and the early private acts, the URAA provided a wind-down for reliance parties who had used restored material during the period of lapsed copyright.[70] The URAA went further, however, in exempting derivative works from the one-year limit, instead allowing them to "continue to exploit that derivative work for the duration of the

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[66] *Id.* §334(b).

[67] *Id.* §334(c).

[68] *See supra* n.26.

[69] *See generally supra* n.48.

[70] 17 U.S.C. §104A(d)(2). The WWII Act, NAFTA, and the URAA specified a one-year period.

restored copyright" so long as they pay "reasonable compensation."[71]

Thus, the "page[s] of history," record many exercises of Congress' restoration power, even at the expense of public interests. The URAA is simply the most recent in a line of restoration statutes, all falling within Congress' powers under the Constitution.

IV. SECTION 514 DOES NOT VIOLATE THE FIRST AMENDMENT

A. Because The URAA Is Within The Traditional Contours Of Copyright Law, It Does Not Warrant Heightened First Amendment Scrutiny.

As *Eldred* explained, "in the Framers' view, copyright's limited monopolies are compatible with free speech principles." 537 U.S. at 219. There is nothing about the URAA, and nothing in *Eldred*, that warrants deviating from that general rule or applying any heightened scrutiny to Section 514. Like the statute in *Eldred*, the URAA "protects authors' original expression from unrestricted exploitation," *id.* at 221, and in so doing places limits on Petitioners' asserted right to appropriate that original expression and "make other people's speeches." *Id. Eldred* also held that "[t]o the extent such assertions raise First Amendment concerns, copyright's built-in free speech

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[71] *Id.* §104A(d)(3).

safeguards are generally adequate to address them." *Id.* Those built-in safeguards are (1) the fact that copyright protects only expressions, not ideas themselves, and (2) the fair use doctrine, *id.* at 219-220. It was in the context of those two safeguards that the court noted that the statute had "not altered the traditional contours of copyright protection," *id.* at 221. Because the URAA also does not disturb those two traditional safeguards, "further First Amendment scrutiny is unnecessary." *Id.*

Because *Eldred*'s analysis does not advance Petitioners' argument, they twist the "traditional contours" language to require an open-ended analysis of copyright history. Pet. Br. at 42-43 (quoting *Eldred*, 537 U.S. at 221). Petitioners' proposed standard proves too much, because if such general analysis of copyright "traditions" were in fact required by the First Amendment, it should have led to First Amendment scrutiny for many innovations in copyright law in the past centuries.

Petitioners do not explain how, for example, congressional action "expand[ing] the scope" of copyright protection, Pet. Br. at 43, into entirely new areas of human creativity, previously unprotected, such as motion pictures, sound recordings, computer programs, and architectural works,[22] was not an alteration of copyright's "traditional contours" as they describe them. Even accepting Petitioners' overbroad definition of

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[22] *Id.* §102(a)(1), (6), (7), (8).

"tradition," their argument fails because, as shown above, restoration of copyrights, and especially foreign copyrights, upon a showing of need is hardly a "dramatic and unprecedented" departure, Pet. Br. at 43, from prior laws. That restoration was (and still is) practiced rarely indicates that it is by its nature an exceptional remedy, not that it is unconstitutionally untraditional.

B. Even If Intermediate Scrutiny Applies, Section 514 Is Constitutional.

Under intermediate scrutiny, "a content-neutral statute 'will be sustained under the First Amendment if it advances important governmental interests unrelated to the suppression of free speech and does not burden substantially more speech than necessary to further those interests.'" Pet. App. 12 (quoting *Turner Broad. Sys., Inc. v. FCC*, 520 U.S. 180, 189 (1997)). The URAA passes First Amendment scrutiny because it furthers the important governmental interest of full compliance with Berne and TRIPs in a carefully tailored way that accounts for the expressive interests at stake.

1. Compliance with Berne is a substantial governmental interest.

In 1987, Congress held extensive hearings on joining Berne before ultimately adopting the Berne

Convention Implementation Act.[73] Congress' decision represents its judgment that membership in the Convention is important for U.S. international copyright policy. Adhering to all terms of membership, rather than only those that the U.S. perceives to be in its narrow self-interest, is important to ensure the stability of the international regime Congress endorsed, as well as to avoid adverse political consequences. *See Abbot v. Abbot*, 130 S. Ct. 1983, 1996 (2010) (domestic implementation of international convention must be "in a responsible manner" that serves the purposes of the convention rather than favoring domestic interests, if international law is to serve its "high purpose" of promoting just and fair laws across borders).

Petitioners make the remarkable assertion that restoration under the URAA was unjustified because the United States could reap the benefits of Berne even without complete compliance. Pet. Br. at 52, 53 (The U.S. had already "secur[ed] . . . all the prospective benefits of protection under the Convention"; "U.S. authors were not threatened with the loss of any of [those] benefits" even if the U.S. was not Berne compliant.).

This assertion is dubious in a post-WTO world where noncompliant countries could face the threat of sanctions.[74] More disturbingly, this argument

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[73] Berne Hearings at 1017-18.

[74] Indeed, the U.S. itself brought the first WTO enforcement action under TRIPs, seeking to force Japan to implement the

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advocates a return to the United States' days as a self-interested, rogue player on the international copyright scene. The Court should reject Petitioners' argument for the United States to act as a free-rider, benefiting from Berne without bearing its full costs, and recognize that leadership in the international copyright community demands more than a reductionist "what's in it for me right now" approach.

2. Restoration is necessary to comply with Berne.

The language of Berne, Art. 18(1), "shall apply to all works"[75] is mandatory and applies to all restorable works.[76] Nevertheless, Petitioners assert that because Art. 18(3) allows countries to determine "the conditions of application of this [restoration] principle," the U.S. could have allowed reliance parties "complete and permanent protection" – that is, the right to use restored works unconditionally and forever. Pet. Br. at 56.

This argument ignores the fact that "conditions" are permitted only to determine the precise means

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restoration obligations of Berne Article 18. *See generally*, James E. Hudson, *The TRIPs Agreement in Action: Japan in the Hot Seat*, 5 Currents: Int'l Trade L.J. 11 (1996).

[75] Berne Art. 18(1).

[76] *See* Ficsor Report, J.A. 112 (¶45).

of restoration's "application"; "conditions" that undermine the restoration principle itself are not allowed.[77] Certainly, the "condition" of no restoration at all, which Petitioners advocate, so frustrates the principle of restoration that it amounts to a wholesale abrogation of the principle itself.

Convention history and the international implementation of restoration clarify the types of conditions contemplated and show that those conditions were never understood to be "complete and permanent." The records of several meetings of the Berne Union refer to "temporary" or "transitional" protections for "acquired rights," a term used to describe both existing copies of works and preparations already underway to exploit restored works.[78] Further, as the court of appeals observed, "no country has provided full, permanent exemptions for reliance parties," Pet. App. at 34-35, and Petitioners identify no such country here. Even the United Kingdom's model for accommodating reliance parties, analysis of which dominates Petitioners' expert report,[79] does not provide complete or permanent protection for reliance parties. Instead, U.K. reliance parties may continue exploiting restored works only until bought back by the restored owner,[80] at which point they must cease

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[77] Ficsor Report, J.A. 117 (¶¶54-55).

[78] *Id.*, J.A. 117-121 (¶¶56-61).

[79] J.A. 193-210.

[80] Ficsor Report, J.A. 149 (¶85).

all exploitation. That reliance parties must be paid when their speech is "suppressed" by the buy-out does not change the fact that restoration does, in fact, allow the restored copyright holder to suppress reliance parties' expression.

Dr. Ficsor's survey of the implementation of restoration[81] in several countries is also instructive. Spain, for example, chose not to apply any "conditions" to restoration and therefore made restored copyright enforceable immediately even against reliance parties.[82] Several other countries, such as France, Hungary, and Italy, provided a fixed amount of time for reliance parties to wind down existing activities.[83] Germany did not set a time limit for reliance-party protection, but protected only concrete "acts of exploitation" of restored works that had already begun, chronologically, before restoration took effect, including derivative works.[84]

In this context, Congress' failure to enact any sort of restoration (even as to non-reliance parties) when it agreed to join Berne in 1988 is hardly evidence that restoration was not required. Rather, Congress took an avowedly "minimalist" approach[85] to implementing

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[81] Dr. Ficsor surveys restoration either under Berne or as required of certain European countries by the EU's "Term Directive." Ficsor Report, J.A. 126-28 (¶68).

[82] *Id.*, J.A. 146-148 (¶¶82-83).

[83] *Id.*, J.A. 152-153 (¶91).

[84] *Id.*, J.A. 133-136 (¶¶71-72).

[85] Berne Hearings 1016 (H.R. Report 100-609).

the Convention and knowingly deferred many difficult questions, including restoration.[36] With the possibility of WTO sanctions looming, Congress eventually did return to restoration and enacted the URAA in 1994.

3. The URAA accommodates the importance of adhering to the Convention without unduly burdening speech.

In enacting URAA §514, Congress placed conditions on restoration that accommodate any pre-existing speech interests: continued protection for derivative works, and a notice requirement and sell-off period for all reliance parties. These accommodations are suitably tailored to accommodate the reliance parties' expressive interests without jeopardizing the U.S.'s Berne compliance.

The reliance parties who may have stronger First Amendment interests are those who have created "derivative works" – original works based on restored works. Unlike other reliance parties, creators of derivative works are asserting a right closer to the "core" of First Amendment-protected speech: not a

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[36] *See id.* at 1029 (minimalist approach did not mean "casting a blind eye towards the long term implications" of Berne membership), *id.* at 1061 ("[A]ny solution to the question of retroactivity can be addressed after adherence to Berne when a more thorough examination of Constitutional, commercial and consumer considerations is possible.").

right to express "other people's speeches," *Eldred*, 537 U.S. at 221, but a right to protect whatever of their own protected speech may be embodied in their independently protectible copyrighted expression. Although those speech elements should be protected within the "traditional contours of copyright," Congress still provided a higher level of protection to owners of derivative works by allowing them to exploit whatever speech is embodied in their new copyrighted expression "for the duration of the restored copyright."[87]

Because, however, derivative works also exercise an exclusive right of the copyright owner of the underlying work, an unqualified right to exploit could create a prohibited unconditional exception to Berne restoration. Congress therefore provided that those using derivative works must pay "reasonable compensation" to the restored rightsholder.[88] That derivative expression comes at an economic price, however, does not change the continued expressive rights preserved for the author of the derivative work.

Congress included additional safeguards for all reliance parties, including those who exploited outright copies of restored works. Restoration does not restrict reliance parties at all until the restored

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[87] 17 U.S.C. §104A(d)(3)(A).

[88] *Id.* §104A(d)(3); *see* 140 Cong. Rec. E2263 (Oct. 8, 1994) (Mr. Hughes) ("Congress recognizes that such continued exploitation [of a derivative work] is still an exploitation of the restored copyright for which payment should be made.").

copyright owner gives notice of intent to enforce the restored copyright.[89] For the first two years, filing a notice of intent to enforce with the Copyright Office could serve as constructive notice to all reliance parties.[90] Thereafter, restored owners must serve notice personally upon reliance parties against whom they would seek enforcement.[91]

This scheme reflects Congress' careful balancing of reliance party interests against the rights of restored owners. Rather than cut off all reliance uses, Congress placed the burden on the restored rightsholders to indicate interest in vindicating their rights under Berne against reliance parties. A reliance party who has not received notice need not cease expressive activities out of fear that the restored owner will eventually appear and demand payment for past activities. Further, by limiting the time for constructive notice, the URAA prodded restored owners to make their intentions known early. As time passes without notice, reliance parties can be more secure in continuing their existing uses without fear that a restored owner will suddenly emerge.

Even when a restored owner gives notice, the reliance party has one year to, for example, sell existing (infringing) copies of a restored work.[92] This "grace

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[89] 17 U.S.C. §§104A(d)(2), (e).

[90] *Id.* §104A(d)(2)(A).

[91] *Id.* §104A(d)(2)(B).

[92] *Id.* §104A(d)(2).

period," which forestalls any abrupt shut-down of existing expressive activities, again reflects Congress' accommodations for reliance parties at the expense of restored owners – even though full Berne compliance, including restoration, had been on the legislative horizon for years by the time that reliance parties like Petitioners began their uses.

Far from being "weak," Pet. Br. at 59, the U.S.'s protections for reliance parties under Article 18 are among the more speech-protective provisions in the world.[33] Specifically, the U.K. model is far less protective of expression than the URAA. Under that model, the restored copyright owner has an absolute right to halt a reliance party's expression at any time, so long as he pays. But economically compensated forcible silencing is still forcible silencing, as far as the *expressive* interests are concerned. To the extent Petitioners prefer the U.K. model, it is perhaps because their actual concern is less with expression than with commercial success.

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[33] *See* Ficsor Report, J.A. 126-157, 159-60 (¶¶67-97, 100) (reviewing rules of several nations and concluding that URAA is at least as generous as, and in some ways more generous than, most European rules).

CONCLUSION

The Foreign Publishers urge the Court to affirm the court of appeals' decision.

Respectfully submitted,

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AMICUS CURIAE BRIEF

No. 10-545

In the Supreme Court of the United States

LAWRENCE GOLAN, et al.,
Petitioners,

v.

ERIC H. HOLDER, JR., Attorney General, et al.,
Respondents.

On Writ of Certiorari to the United States Court of Appeals for the Tenth Circuit

BRIEF OF JUSTICE AND FREEDOM FUND AS *AMICUS CURIAE* SUPPORTING PETITIONERS

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TABLE OF CONTENTS

TABLE OF AUTHORITIES iii

INTEREST OF AMICUS 1

INTRODUCTION AND SUMMARY OF THE ARGUMENT 1

ARGUMENT 2

I. SECTION 514 COMPROMISES CORE FIRST AMENDMENT RIGHTS OF THE AMERICAN PUBLIC. 2

A. Section 514 Compromises The Public's Right To Freely Utilize The Public Domain. 8

1. The Public Has Vested Rights To The Public Domain—The Raw Material For New Expression. 8

2. The Built-In Safeguards That Protect First Amendment Rights During The Monopoly Are Not An Adequate Replacement For The Rights The Public Has Forfeited. 10

3. Copyrights Are Analogous To Patents In Terms Of The Initial Monopoly Rights And Ultimate Goal. 12

B. Section 514 Impoverishes The Public By Chilling Future Expression. 15

C. Section 514 Compromises The Public's Right To *Receive* Expression. 17

D. Section 514 Compromises The Rights Of American Authors In Order To Enhance The Rights Of Foreign Authors. 19

II. SECTION 514 VIOLATES THE CONSTRAINTS THE CONSTITUTION PLACES ON THE FEDERAL GOVERNMENT—BOTH BY AFFIRMATIVE GRANTS OF POWER AND EXPRESS PROHIBITIONS. 21

III. THE COMMERCE CLAUSE DOES NOT JUSTIFY AN END-RUN AROUND THE PROGRESS CLAUSE OR THE FIRST AMENDMENT. 26

IV. THE TREATY CLAUSE DOES NOT JUSTIFY AN END-RUN AROUND EITHER THE FIRST AMENDMENT OR THE PROGRESS CLAUSE LIMITATIONS 30

CONCLUSION 34

TABLE OF AUTHORITIES

CASES

Authors League of Am., Inc. v. Oman,
790 F.2d 220 (2d Cir. 1986) 27

Bartnicki v. Vopper,
532 U.S. 514 (2001) 6

Bilski v. Kappos,
130 S. Ct. 3218 (2010) 25

Bonito Boats, Inc. v. Thunder Craft Boats, Inc.,
489 U.S. 141 (1989) 8, 12, 13

Boos v. Berry,
485 U.S. 312 (1988) 31, 33

Buckley v. Valeo,
424 U.S. 1 (1976) 19, 24

C.B.C. Distrib. & Mktg., Inc. v. Major League Baseball Advanced Media,
505 F.3d 818 (8th Cir. 2007) 6, 7

CBS, Inc. v. FCC,
453 U.S. 367 (1981) 17

Citizens United v. Fed. Elections Comm'n,
130 S. Ct. 876 (2010) 20, 25

Dastar Corp. v. Twentieth Century Fox Film Corp.,
539 U.S. 23 (2003) 8, 9, 13, 14

Eastern Railroad Presidents Conference v. Noerr Motor Freight, Inc.,
365 U.S. 127 (1961) 6

Eldred v. Ashcroft,
537 U.S. 186 (2003) 4, 5, 14, 15, 25

ETW Corp. v. Jireh Publ'g, Inc.,
332 F.3d 915 (6th Cir. 2003) 7

Feist Publ'ns, Inc. v. Rural Tel. Serv. Co.,
499 U.S. 340 (1991) 10, 14

Festo Corp. v. Shoketsu Kinzoku Kogyo Kabushiki Co.,
535 U.S. 722 (2002) 16

Fox Film Corp. v. Doyal,
286 U.S. 123 (1932) 4, 12

Golan v. Gonzales,
No. 01-B-1854, 2005 WL 914754 (D. Colo. April 20, 2005) ("*Golan I*") 14, 15

Golan v. Gonzales,
501 F.3d 1179 (10th Cir. 2007) ("*Golan II*") 3, 9, 11, 23

Golan v. Holder,
611 F. Supp. 2d 1165 (D. Colo. 2009) ("*Golan III*") 20

Golan v. Holder,
609 F.3d 1076 (10th Cir. 2010) ("*Golan IV*") .. 20

Gonzales v. Raich,
545 U.S. 1 (2005) 26

Graham v. John Deere Co.,
383 U.S. 1 (1966) 14, 25, 26

Gregory v. Ashcroft,
501 U.S. 452 (1991) 21

Harper & Row Publishers, Inc. v. Nation Enter.,
471 U.S. 539 (1985) 4, 10

Heart of Atlanta Motel, Inc. v. United States,
379 U.S. 241 (1964) 22, 24, 27, 28

In re Trade Mark Cases,
100 U.S. 82 (1879) 27

Kleindienst v. Mandel,
408 U.S. 753 (1972) 18

Luck's Music Library, Inc. v. Gonzales,
407 F.3d 1262 (D.C. Cir. 2005) 7

Marbury v. Madison,
5 U.S. 137 (1803) 21

Marsh v. Alabama,
326 U.S. 501 (1946) 6

Martin v. City of Struthers,
319 U.S. 141 (1943) 18

Mazer v. Stein,
347 201 (1954) 4

Missouri v. Holland,
252 U.S. 416 (1920) 30, 32

New York Times Co. v. Sullivan,
376 U.S. 254 (1964) 6

Procunier v. Martinez,
416 U.S. 396 (1974) 18

Railway Labor Executives' Ass'n v. Gibbons,
455 U.S. 457 (1982) 24, 25, 28, 29, 30

Red Lion Broad. Co. v. FCC,
395 U.S. 367 (1969) 18

Reid v. Covert,
354 U.S. 1 (1957) 31, 32, 33

Saenz v. Roe,
526 U.S. 489 (1999) 24

Sears, Roebuck & Co. v. Stiffel Co.,
376 U.S. 225 (1964) 8, 13, 14

Sony Corp. of Am. v. Universal City Studios, Inc.,
464 U.S. 417 (1984) 4, 5, 8, 10, 20

South Dakota v. Dole,
483 U.S. 203 (1987) 23

Stanley v. Georgia,
394 U.S. 557 (1969) 18

Thomas v. Collins,
323 U.S. 516 (1945) 18

Triangle Pubs., Inc. v. Knight-Ridder Newspapers, Inc.,
445 F. Supp. 875 (S.D. Fla. 1978) 5

Twentieth Century Music Corp. v. Aiken,
422 U.S. 151 (1975) 4

United States v. Dubilier Condenser Corp.,
289 U.S. 178 (1933) 13

United States v. Lara,
541 U.S. 193 (2004) 30

United States v. Lopez,
514 U.S. 549 (1995) 21, 22, 26

United States v. Martignon,
492 F.3d 140 (2d Cir. 2007) 23, 25, 28, 29

United States v. Moghadam,
175 F.3d 1269 (11th Cir. 1999) ..... *passim*

United States v. Morrison,
529 U.S. 598 (2000) 21, 26

United States v. Paramount Pictures, Inc.,
334 U.S. 131 (1948) 12

Va. State Bd. of Pharmacy v. Va. Citizens Consumer Council, Inc.,
425 U.S. 748 (1976) 18, 19

Ward v. Rock Against Racism,
491 U.S. 781 (1989) 3

Constitutional Provisions

U.S. Const., amend. I 6, 9, 10, 31

U.S. Const., Art. I, § 8 ..... 21, 22, 24

U.S. Const., Art. I, § 8, cl. 1
(Spending Clause) 23

U.S. Const., Art. I, § 8, cl. 3
(Commerce Clause) 2, 26, 27, 28, 29

U.S. Const., Art. I, § 8, cl. 4
(Bankruptcy Clause) 24, 25, 28, 29

U.S. Const., Art. I, § 8, cl. 8
(Progress Clause) ..... *passim*

U.S. Const. art. I, § 8, cl. 14
(Military Regulations Clause) 32

U.S. Const. art. I, § 8, cl. 18
(Necessary and Proper Clause) 2, 32

U.S. Const., Art. II, § 2, cl. 2
(Treaty Clause) 2, 30, 31, 32

Statutes

17 U.S.C. § 104(A) 2

Act of Dec. 8, 1919, cha. 11, 41 Stat. 368 9

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H. R. Rep. No. 2222, 60th Cong., 2d Sess., 7 (1909) 8, 20

H. R. Rep. No. 100-609 (1988) 8, 20

Nimmer, *The End of Copyright*, 48 Vand. L. Rev. 1385, 1404 (1995) 16

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S. Exec. Rep. No. 5, 83d Cong., 2d Sess. 3 (1954) 19

SYMPOSIUM: *Constitutional Challenges to Copyright: Alternatives to the Copyright Power: The Relationship of the Copyright Clause to the Commerce Clause and the Treaty Power*, 30 Colum. J.L. & Arts 287 (2007) 21, 25, 31

I

INTEREST OF AMICI[1]

Justice and Freedom Fund, as *amicus curiae*, respectfully submits that the decision of the Tenth Circuit Court of Appeals should be reversed.

Justice and Freedom Fund is a California non-profit, tax-exempt corporation formed on September 24, 1998 to preserve and defend the constitutional liberties guaranteed to American citizens, through education and other means. JFF's founder is James L. Hirsen, professor of law at Trinity Law School (15 years) and Biola University (7 years) in Southern California and author of New York Times bestseller, *Tales from the Left Coast*, and *Hollywood Nation*. Mr. Hirsen has taught law school courses on constitutional law. Co-counsel Deborah J. Dewart is the author of *Death of a Christian Nation*, released in 2010.

INTRODUCTION AND SUMMARY OF THE ARGUMENT

The American system of government differs radically from the monarchies of past centuries and the regimes of foreign countries. Congress is only one of three independent, coordinate branches. The Constitution spells out its limited powers vis-a-vis the states and the people, and places additional restraints on its authority through the Bill of Rights.

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[1] The parties have consented to the filing of this brief. *Amicus curiae* certifies that no counsel for a party authored this brief in whole or in part and no person or entity, other than *amicus*, its members, or its counsel, has made a monetary contribution to its preparation or submission.

This case intersects several constitutional provisions. While Section 514 of the Uruguay Round Agreements Act (17 U.S.C. § 104(A)) is primarily linked to the Progress Clause[2] (Art. I, § 8, cl. 8), it potentially touches the Commerce Clause (Art. I, § 8, cl. 3). And since Congress was implementing the Berne Convention, it also implicates the Treaty Clause (Art. II, § 2, cl. 2) along with the Necessary and Property Clause (Art. I, § 8, cl. 18). In addition to these basic grants of federal power, the First Amendment restrains Congress in its regulation of creative expression.

America's commitment to limited government mandates a global view of the applicable grants of power and limitations, not a compartmental approach focused on one piece of the Constitution. *Amicus curiae* maintains that Section 514 exceeds the powers of Congress because it jeopardizes core First Amendment rights and is not warranted by either the Progress Clause or an alternative source of power—the Commerce Clause or the power to implement a treaty.

ARGUMENT

I. SECTION 514 COMPROMISES CORE FIRST AMENDMENT RIGHTS OF THE AMERICAN PUBLIC.

Section 514 impacts a broad range of literary, musical, and other culturally significant works. Among the thousands of works affected, copyright restoration removed from the public domain numerous

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[2] Also known as the Copyright Clause.

works of Shostakovich, Prokofiev, Stravinsky and other venerable composers. It therefore became necessary for Kapp, Golan and other educators to cease utilizing and exposing their students to the formerly public domain works. The copyright restoration of the works has rendered the use of many of them cost-prohibitive. After listing a small selection of the works stripped from the public domain—"the tip of the iceberg"—one commentator observes that "[t]he universe of restored works is commercially and artistically far-reaching and may prove to be of considerable financial and creative significance over time." William Gable, *Restoration of Copyrights: Dueling Trolls and Other Oddities Under Section 104A of the Copyright Act*, 29 Colum. J.L. & Arts 181, 183 (Winter 2005) ("*Duelling Trolls*").

The First Amendment protects a wide range of expression. In addition to speech about political and other matters of public concern, it takes in the arts and entertainment—"serv[ing] a value similar to that fostered by the copyright laws—promoting the creation and dissemination of knowledge and cultural artifacts." Joseph P. Bauer, *ARTICLE: Copyright and the First Amendment: Comrades, Combatants, or Uneasy Allies?*, 67 Wash & Lee L. Rev. 831, 843 (Summer 2010) ("*Copyright and the First Amendment*"). This Court places artistic expression near the "core of the First Amendment." *Golan v. Gonzales*, 501 F.3d 1179 (10th Cir. 2007) ("*Golan II*"), citing *Ward v. Rock Against Racism*, 491 U.S. 781, 790 (1989) ("Music is one of the oldest forms of human expression.... Music, as a form of expression and communication, is protected under the First Amendment.")

"The Framers intended copyright itself to be the engine of Free Expression." *Harper & Row Publishers, Inc. v. Nation Enter.*, 471 U.S. 539, 558 (1985). The First Amendment and the Progress Clause were adopted in close proximity, suggesting they are compatible. *Eldred v. Ashcroft*, 537 U.S. 186, 219 (2003). Indeed they are—the limited monopoly granted to authors and inventors is the economic fuel that drives the "engine of free expression," advancing the public welfare. Case after case echoes this theme. *Fox Film Corp. v. Doyal*, 286 U.S. 123, 127 (1932) ("the primary object in conferring the monopoly lie[s] in the general benefits derived by the public from the labors of authors"); *Mazer v. Stein*, 347 201, 219 (1954) ("encouragement of individual effort by personal gain is the best way to advance public welfare"); *Twentieth Century Music Corp. v. Aiken*, 422 U.S. 151, 156 (1975) (copyright "promot[es] broad public availability of literature, music, and the other arts...the *ultimate aim* is, by this incentive, to stimulate artistic creativity for the general public good"); *Sony Corp. of Am. v. Universal City Studios, Inc.*, 464 U.S. 417, 429 (1984) ("*Sony*") ("[the Clause] is intended to motivate the creative activity of authors and inventors by the provision of a special reward, and to allow the public access to the products of their genius after the limited period of exclusive control has expired."). The Progress Clause and the First Amendment both "enhanc[e] society's intellectual and cultural well-being." *Copyright and the First Amendment*, 67 Wash & Lee L. Rev. at 845.

In spite of ultimate goals served by the Progress Clause and First Amendment, a tension emerges because of divergent means. The First Amendment promotes unrestricted expression using words,

symbols, pictures, music, and other avenues of communication, whereas copyrights grant authors exclusive rights to reproduce and distribute, restricting and excluding others for a limited time. *Id.* at 846-847. This limited private monopoly often interferes with the broad rights shielded by the First Amendment. *Id.* at 844.

> The Copyright Act, since its inception, has spawned a subtle tension within the protective environment surrounding the freedom of speech.

Triangle Pubs., Inc. v. Knight-Ridder Newspapers, Inc., 445 F. Supp. 875, 881-882 (S.D. Fla. 1978). Intellectual property laws have been repeatedly amended as Congress attempts to balance the private interests of authors and inventors with the public's competing interest in the free flow of information and expression. *Sony*, 464 U.S. at 429.

When the Progress Clause and the First Amendment "operate at cross-purposes, the primacy of the First Amendment mandates that the Copyright Act be deprived of effectuation." *Triangle Pubs., Inc. v. Knight-Ridder Newspapers, Inc.*, 445 F. Supp. at 881-882. But courts do not always adhere to this hierarchy, even though this Court acknowledged in *Eldred* that that "the D.C. Circuit spoke too broadly when it declared copyrights 'categorically immune from challenges under the First Amendment.'" *Eldred v. Ashcroft*, 537 U.S. at 221. Instead, "courts have practically immunized copyright from First Amendment scrutiny." Brian Lee Pelanda, *Note and Comment: Copyright's "Traditional Contours" and "Bedrock Principles": Golan's Potential to Secure First*

Amendment Protection Over the Public Domain, 31 Whittier L. Rev. 547 (Spring 2010) ("*Copyright's Traditional Contours*").

In other areas of law, courts have been alert to First Amendment mandates:

> In a broad range of other cases, courts have unequivocally held that claims under both state and federal law are all subject to First Amendment constraints. *It is far from obvious why copyright should be singled out for different analysis and harsher treatment.*

Copyright and the First Amendment, 67 Wash & Lee L. Rev. at 835 (emphasis added). The supremacy of the First Amendment is evident across a wide spectrum of cases: *New York Times Co. v. Sullivan*, 376 U.S. 254, 292 (1964) (libel action against public official requires proof of "actual malice" in light of free speech rights); *Eastern Railroad Presidents Conference v. Noerr Motor Freight, Inc.*, 365 U.S. 127 (1961) (Sherman Act could not be applied so as to interfere with Petition Clause rights); *Bartnicki v. Vopper*, 532 U.S. 514, 535 (2001) (radio broadcast of intercepted phone conversation on a matter of public concern was protected by the First Amendment even though informants violated wire tap laws); *Marsh v. Alabama*, 326 U.S. 501, 509 (1946) (trespass law violated right of Jehovah's Witness member to distribute literature on a street in a company town). In *C.B.C. Distrib. & Mktg., Inc. v. Major League Baseball Advanced Media*, 505 F.3d 818 (8th Cir. 2007), the First Amendment rights of a fantasy baseball game producer prevailed over major league players' state law rights of publicity. The producer used information that was already in the

public domain, and the court explained that "state law rights of publicity must be balanced against [F]irst [A]mendment considerations, and here we conclude that the former must give way to the latter." *Id.* at 823. The Sixth Circuit reached a similar conclusion in *ETW Corp. v. Jireh Publ'g, Inc.*, 332 F.3d 915, 938 (6th Cir. 2003), holding that a sports artist's First Amendment rights trumped Tiger Woods' publicity claims—the artist had created and reproduced an action portrait of Woods' victory at the 1997 Masters Tournament.

In light of America's long tradition of guarding free expression, it is no wonder the United States postponed joining the Berne Convention for over a century. The Berne Act was signed in 1886, but the United States did not join the Convention until 1989. Its steadfast resistance can be traced, among other things, to the requirement that certain expired copyrights be restored. *Dueling Trolls*, 29 Colum. J.L. & Arts at 184-185. This mandate presented Congress with the grueling challenge of complying with both the Convention *and* the U.S. Constitution.

Section 514 poses a myriad of obstacles to the First Amendment liberties Americans cherish. Unlike *Luck's Music Library, Inc. v. Gonzales*, 407 F.3d 1262 (D.C. Cir. 2005), where plaintiffs failed to raise a First Amendment challenge, this case presents the issue head-on.

A. Section 514 Compromises The Public's Right To Freely Utilize The Public Domain.

A century ago, Congress enacted copyright legislation with the recognition that its purpose was not to protect the natural rights of authors, but to serve the *public* welfare. H. R. Rep. No. 2222, 60th Cong., 2d Sess., 7 (1909). When the Berne Convention was implemented, Congress acknowledged that the primary objective of copyright law is "to secure for the public the benefits derived from the authors' labors." H. R. Rep. No. 100-609, p. 17 (1988) (internal quotation marks omitted). Monopoly privileges granted under the Progress Clause are ultimately intended "to allow the public access...after the limited period of exclusive control has expired." *Sony*, 464 U.S. at 429. Section 514 poses a critical threat to the public domain.

This case has significant potential to "establish the public's right to perpetual free utilization of public domain material." *Copyright's "Traditional Contours,"* 31 Whittier L. Rev. at 557.

1. The Public Has Vested Rights To The Public Domain—The Raw Material For New Expression.

When a copyright or patent expires, the right to copy "passes to the public...the public may use the invention or work at will and without attribution." *Dastar Corp. v. Twentieth Century Fox Film Corp.*, 539 U.S. 23, 33-34 (2003) ("*Dastar*"), citing *Sears, Roebuck & Co. v. Stiffel Co.*, 376 U.S. 225, 230 (1964) ("*Sears*") and *Bonito Boats, Inc. v. Thunder Craft Boats, Inc.*,

489 U.S. 141, 150-151 (1989) ("*Bonito Boats*"). In *Dastar*, a producer (Dastar Corp.) had taken a creative work in the public domain—the Crusade television series—copied it, made minor modifications, and then produced its own video series. This Court rejected a cause of action against Dastar, because that would have "create[d] a species of mutant copyright law that limits the public's federal right to copy and use expired copyrights. *Bonito Boats*, supra, at 165." *Dastar*, 539 U.S. at 34 (internal quotation marks omitted).

The public domain and the First Amendment are "inextricably intertwined." *Copyright's "Traditional Contours,"* 31 Whittier L. Rev. at 571. The public has the unrestricted right to access and use works in the public domain—to read, perform, listen, or to fuel the creation of new works. The Tenth Circuit was correct when it explained that the *Golan* plaintiffs have *vested* First Amendment interests, and Section 514's interference with these rights must be scrutinized. *Golan II*, 501 F.3d at 1194.

When Congress enacted Section 514, it took a detour around its time-honored practice of protecting the public domain. The 1909 Copyright Act provided that "no copyright shall subsist in the original text of any work which is in the public domain." Copyright Act, Pub. L. No. 60-349, 35 Stat. 1075, 1077 (1909). The 1919 Act briefly departed from prior tradition but protected Americans who had relied on foreign works in the public domain—and expressly referenced this portion of the 1909 Act. Act of Dec. 8, 1919, cha. 11, 41 Stat. 368. Commentators have noted the historical foundations of the public domain and this Court's active role in policing it against legislative intrusion, e.g., Tyler T. Ochoa, *Origins and Meanings of the*

Public Domain, 28 U. Dayton L. Rev. 215, 255-256 (2002); Ruth L. Okediji, *Through the Years: The Supreme Court and the Copyright Clause*, 30 Wm. Mitchell L. Rev. 1633, 1646 (2004).

Copyright law essentially creates the public domain by "[allowing] the public access to the products of [the copyright holder's] genius after the limited period of exclusive control has expired." *Sony*, 464 U.S. at 429. The public domain, in turn, operates as "a device that permits the rest of the system to work by leaving the raw material of authorship available for authors to use." Jessica Litman, *The Public Domain*, 39 Emory L.J. 965, 968 (1990). The Founders valued free expression, and it is reasonable to conclude that they included the Progress Clause in the Constitution as a vehicle to ensure continuation of the public domain. L. Ray Patterson & Craig Joyce, *Copyright in 1791: An Essay Concerning the Founders' View of the Copyright Power Granted to Congress in Article I, Section 8, Clause 8 of the U.S. Constitution*, 52 Emory L.J. 909, 949 (2003).

2. The Built-In Safeguards That Protect First Amendment Rights During The Monopoly Are Not An Adequate Replacement For The Rights The Public Has Forfeited.

Certain built-in safeguards guard the public's First Amendment interests during the protected monopoly. The idea/expression dichotomy ensures that, while specific expression may be copyrighted, the underlying facts and ideas may be freely communicated. *Harper & Row Publishers, Inc. v. Nation Enter.*, 471 U.S. at 556. *See Feist Publications, Inc. v. Rural Telephone*

Service Co., 499 U.S. 340 (1991) (white page directory cannot be copyrighted). The "fair use" doctrine permits limited use of copyrighted expression. These valuable protections "govern the distribution of rights between authors and the public from the moment a work is created and copyrighted until the copyright expires." *Golan II*, 501 F.3d at 1195.

These safeguards may help protect First Amendments rights *during* the life of a copyright, but they are hardly a satisfactory replacement for the public domain rights Congress snatched away from the public—*after* the copyright's expiration. At that point, the author has no greater rights than any member of the general public. The safeguards are no longer relevant, nor would they add anything to the public's unrestricted rights in the public domain. On the contrary, "[b]y withdrawing works from the public domain, § 514 leaves scholars, artists, and the public with less access to works than they had before the Act." *Golan II*, 501 F.3d at 1195. The "fair use" factors set forth in Section 107 do not even include what is arguably "the most compelling concern embodied in the First Amendment: the public interest, or even public necessity, in permitting unauthorized use of certain copyrighted material." *Copyright and the First Amendment*, 67 Wash & Lee L. Rev. at 855-856. At times it is necessary to reproduce the copyrighted work in its exact expression—for example, orchestras that perform the musical compositions of Prokofiev, Stravinsky, or Shostakovich. The fair use doctrine does nothing to restore the rights Section 514 has confiscated in such a case.

3. Copyrights Are Analogous To Patents In Terms Of The Initial Monopoly Rights And Ultimate Goal.

Most public domain discussions are found in patent cases, including *Sears*, *Graham*, and *Bonito Boats*. But in *Dastar*, this Court applied patent precedents to a copyright dispute. *Copyright's "Traditional Contours,"* 31 Whittier L. Rev. at 568, 574. Copyrights and patents are not identical, but it is their similarities—not their distinctions—that drive the outcome of this case.

The Progress Clause controls both copyrights and patent rights. Both limited monopolies exist to benefit the public—not the private authors or inventors. *Fox Film Corp. v. Doyal*, 286 U.S. at 127-128 ("A copyright, like a patent, is 'at once the equivalent given by the public for benefits bestowed by the genius and meditations and skill of individuals and the incentive to further efforts for the same important objects.' *Kendall v. Winsor*, 21 How. 322, 327, 328; *Grant v. Raymond*, 6 Pet. 218, 241, 242."); *United States v. Paramount Pictures, Inc.*, 334 U.S. 131, 158 (1948) ("The copyright law, like the patent statutes, makes reward to the owner a secondary consideration."); *Bonito Boats*, 489 U.S. at 151 ("[T]he ultimate goal of the patent system is to bring new designs and technologies into the public domain through disclosure.")

Inventors and authors both offer something new and unique to enrich the public. "[T]he rights of patentees and copyright holders regarding initial grants and their expiration [are] synonymous," as this Court confirmed in *Dastar*. *Copyright's "Traditional*

Contours," 31 Whittier L. Rev. at 568, citing *Dastar*, 539 U.S. at 33-34. Patents require novelty and non-obviousness—an exception to the general rule that ideas may be freely exploited. *Bonito Boats*, 489 U.S. at 151. Copyrights require originality.

As this Court has explained, patents and copyrights are both part of a "carefully crafted [statutory] bargain" that ultimately culminates in new material being added to the public domain. *Id.* at 150-151 (patents); *Dastar*, 539 U.S. at 33-34 (copyrights). In both cases, rights pass to the *public* when the monopoly expires. *United States v. Dubilier Condenser Corp.*, 289 U.S. 178, 186-187 (1933) (patents) ("upon expiration...the knowledge of the invention inures to the people"); *Sears*, 376 U.S. at 230 (patents); *Bonito Boats*, 489 U.S. at 151 (patents); *Dastar*, 539 U.S. at 33-34 (copyrights). In each context, the public should receive the benefit of its bargain once the "congressionally mandated price" (*Bonito Boats*, at 152) has been paid in full—disclosure, in the patent context, and free access to the expression, where copyrights are involved.

In both contexts, the public domain warrants protection. A state may not use its unfair competition laws "to block off from the public something which federal law has said belongs to the public." *Sears*, 376 U.S. at 231-232. The public domain is equally inviolate where formerly copyrighted expression is involved:

> [T]he right to copy, and to copy without attribution, once a copyright has expired, like

> "the right to make [an article whose patent has expired]...passes...to the public."

Dastar, 539 U.S. at 33, quoting *Sears*, 376 U.S. at 230.

Some cases explain differences between patents and copyrights while still emphasizing the importance of public domain preservation. Patents guard knowledge, whereas copyrights protect expression but not the underlying facts or ideas. ***Eldred v. Ashcroft***, 537 U.S. at 217 ("copyright gives the holder no monopoly on any knowledge"). Where patents are involved, "removal of existent knowledge from the public domain is a persistent danger" but "that danger...is not lurking within the retroactive expansion of copyrights." *Golan v. Gonzales*, No. 01-B-1854, 2005 WL 914754 (D. Colo. April 20, 2005) ("*Golan I*"), citing ***Feist Publications, Inc. v. Rural Telephone Service Co.***, 499 U.S. at 349-350 ("Copyright assures authors the right to their original expression, but encourages others to build freely upon the ideas and information conveyed by a work."); *Graham v. John Deere Co. of Kansas City*, 383 U.S. 1, 6 (1966) (Congress may not "authorize the issuance of patents whose effects are to remove existent knowledge from the public domain, or to restrict free access to materials already available.")

Graham condemns the removal of ***knowledge*** from the public domain—in the context of patents. Copyrights do not raise the same concerns about knowledge, but in both cases, the public has vested rights at stake after the expiration of a monopoly—either knowledge of an invention (patents) or free access to formerly copyrighted expression (copyrights). Both categories fall within the public

domain and merit protection. Congress deprives the public of vested rights when it removes content from the public domain—whether it is knowledge of an invention or the right to use works whose copyrights have expired.

B. Section 514 Impoverishes The Public By Chilling Future Expression.

Section 514 imposes a massive burden on those who have made investments in reliance on the continuing availability of the public domain—"reliance parties." The District Court in an earlier reiteration brushed aside the gravity of these reliance interests, concluding that "[t]hough URAA Section 514 grants many retroactive benefits to authors, it does not impose retroactive burdens upon the plaintiffs" or "alter the legal consequences of [their] completed acts." *Golan I*, at *50.

But the law also chills *future* expression—a prime First Amendment concern. Copyright laws and judicial pronouncements must be crafted carefully to avoid "the chilling effect that [some] decisions have had on would-be users of copyrighted materials: the speech that has not occurred because of fear of an infringement action." *Copyright and the First Amendment*, 67 Wash & Lee L. Rev. at 914.

Section 514 carves a huge chunk out of the public domain, restricting the material available for new creative works. Those building blocks are by definition "other people's speeches." *Eldred v. Ashcroft*, 537 U.S. at 221. The risk of future erosion of the public domain creates an environment of uncertainty and chills expression. The boundaries of copyright's limited

monopoly should be clear. "This clarity is essential to promote progress, because it enables efficient investment in innovation." *Festo Corp. v. Shoketsu Kinzoku Kogyo Kabushiki Co.*, 535 U.S. 722, 730-731 (2002). The public's rights should be defined and stable, not constantly in danger of being snatched away by an act of Congress.

The law's inherent complexity is another contributing factor:

> Section 104A is a highly technical, opaque, ambiguous, internally inconsistent and often misinterpreted provision of the 1976 Copyright Act. "Restoration of copyright" alters our traditional notions of copyright protection and unsettles parties' reasonable expectations.... [S]ection 104A imposes strenuous discovery and evidentiary demands on courts and litigators.

Dueling Trolls, 29 Colum. J.L. & Arts at 231. The legislative history of this "fast track legislation" is "limited and sometimes contradictory." *Id.* at 187. It creates "myriad issues and questions" and promises to deliver even more—"which will increase geometrically in complexity." Nimmer, *The End of Copyright*, 48 Vand. L. Rev. 1385, 1404, 1420 (1995).

This "highly technical, convoluted" statute is "difficult to decipher and fraught with potential unintended consequences...creat[ing] numerous problems for copyright owners and users, litigators and courts." *Dueling Trolls*, 29 Colum. J.L. & Arts at 187. Among these problems are:

- Proof of originality for foreign works created years ago (*id.* at 191);
- Lack of U.S. registration—and consequently no presumption of a valid copyright (*id.* at 192);
- The threshold issue of "publication"—somewhere—for a work to have entered the public domain in the United States (*id.* at 197-198);
- Technical definitions and requirements for "reliance party" status (*id.* at 213).

These technical difficulties contribute to the erratic environment already created by Congress' improper erosion of the public domain. With the public domain at risk *and* mounting complexities in the application of the law, the cost of creating new works is prohibitive—chilling or even freezing free expression. This is a giant step backwards on the road to progress—the antithesis of what the Progress Clause demands.

C. Section 514 Compromises The Public's Right To *Receive* Expression.

> The First Amendment's extension of protection to the reader and listener as well as to the writer or speaker provides an interesting contrast to the concerns reflected by the copyright regime.

Copyright and the First Amendment, 67 Wash & Lee L. Rev. at 843 n. 46. The expression "coin" has two sides—the right to create and the right to receive. "It is the right of the public to receive suitable access to social, political, esthetic, moral, and other ideas and experiences which is crucial here." *CBS, Inc. v. FCC*,

453 U.S. 367, 395 (1981) (quoting *Red Lion Broadcasting Co. v. FCC*, 395 U.S. 367, 390 (1969)). Plaintiffs and other reliance parties include "a non-profit community orchestra...instructors, performers, publishers, and other cultural organizations." *Copyright's "Traditional Contours,"* 31 Whittier L. Rev. at 551. Although there are some commercial reliance parties—whose burden is anything but minimal—others are tax-exempt entities established under 26 U.S.C. § 501(c)(3) to serve exclusively *public* interests, including the dissemination of literary and artistic works. Their public beneficiaries have the right to continue enjoying the benefits for which these organizations were founded. Section 514 imposes harsh costs on the public, both in carving up the public domain and in imposing new financial burdens on public organizations set up to enrich the culture through the arts.

Persons denied access to the expression of others have standing to bring a constitutional challenge. *Va. State Bd. of Pharmacy v. Va. Citizens Consumer Council, Inc.*, 425 U.S. 748 (1976) (individual and two non-profits challenged advertising restrictions on prescription drugs). In *Va. State Bd. of Pharmacy*, this Court cited a long line of precedent upholding the First Amendment right to receive information and other expression: *Procunier v. Martinez*, 416 U.S. 396, 408-409 (1974) (right to receive correspondence from prison inmates); *Kleindienst v. Mandel*, 408 U.S. 753, 762-763 (1972) (professors had right to hear and debate author from Belgium); *Stanley v. Georgia*, 394 U.S. 557, 564 (1969) (possession of obscene materials in privacy of home); *Thomas v. Collins*, 323 U.S. 516, 534 (1945) (workers had right to hear what labor organizer had to say); *Martin v. City of Struthers*, 319 U.S. 141, 143

(1943) (right of individual household to receive Jehovah's Witness literature). *Va. State Bd. of Pharmacy v. Va. Citizens Consumer Council, Inc.*, 425 U.S. at 757.

D. Section 514 Compromises The Rights Of American Authors In Order To Enhance The Rights Of Foreign Authors.

Several decades ago, a Senate Foreign Relations Report, discussing reasons why the United States should not join the Berne Convention, observed that "[t]his revival of copyright under the retroactivity doctrine would have worked considerable prejudice to *American* motion picture, music, and publishing houses." S. Exec. Rep. No. 5, 83d Cong., 2d Sess. 3 (1954) (emphasis added); cited in *Dueling Trolls*, 29 Colum. J.L. & Arts at 183 n. 14. This warning was right on point: "Entire businesses, some built upon decades of previously legal use of foreign public domain materials, could be forced to close their doors." *Id.* at 184. Beyond this severe economic impact, there are concerns about the way Section 514 unconstitutionally reapportions First Amendment rights.

"[T]he concept that government may restrict the speech of some elements of our society in order to enhance the relative voice of others is wholly foreign to the First Amendment." *Buckley v. Valeo*, 424 U.S. 1, 48-49 (1976). Unlike *Buckley*, Section 514 does not expressly address political campaigns or other public debates, but the analogy is evident. Just as the government may not "level the playing field" in a campaign (*Davis v. FEC*, 128 S. Ct. 2759, 2773-2774 (2008)), Congress may not create new inequities by

"extend[ing] protections to foreign authors that are not afforded United States authors, even in their own country." *Golan v. Holder*, 611 F. Supp. 2d 1165, 1177 (D. Colo. 2009) ("*Golan III*"). It is not merely the interests of reliance parties that clash with the foreign authors who benefit from restored copyrights. *See Golan v. Holder*, 609 F.3d 1076, 1084 (10th Cir. 2010) ("*Golan IV*"). It is also American authors who are similarly situated. The Tenth Circuit focused on the burden that Section 514 imposed on American reliance parties and found it congruent to (1) the burden Congress sought to impose on foreign reliance parties; and (2) the potential benefit to American authors who publish abroad. *Id.* at 1091. But unlike the foreign authors who benefit from Section 514, American authors are not granted copyright restoration or relief from their failure to follow copyright formalities. Section 514 "tak[es] the right to speak from some and giv[es] it to others." *Citizens United v. FEC*, 130 S. Ct. 876, 899 (2010).

A century ago, Congress enacted copyright legislation with the recognition that its purpose was not to protect the natural rights of authors, but to serve the *public* welfare. H. R. Rep. No. 2222, 60th Cong., 2d Sess., 7 (1909). When the Berne Convention was implemented, Congress acknowledged that the primary objective of copyright law is "to secure for the public the benefits derived from the authors' labors." H. R. Rep. No. 100-609, p. 17 (1988) (internal quotation marks omitted). Monopoly privileges granted under the Progress Clause are ultimately intended "to allow the public access...after the limited period of exclusive control has expired." *Sony*, 464 U.S. at 429. Section 514 poses a critical threat to the public domain.

This case has significant potential to "establish the public's right to perpetual free utilization of public domain material." *Copyright's "Traditional Contours,"* 31 Whittier L. Rev. at 557.

II. SECTION 514 VIOLATES THE CONSTRAINTS THE CONSTITUTION PLACES ON THE FEDERAL GOVERNMENT—BOTH BY AFFIRMATIVE GRANTS OF POWER AND EXPRESS PROHIBITIONS.

The U.S. Constitution has created a federal government of enumerated powers. *United States v. Lopez*, 514 U.S. 549, 552 (1995); Art. I, § 8. Those powers are "defined and limited." *Marbury v. Madison*, 5 U.S. 137, 176 (1803) (Marshall, C. J.). The American system separates the three coordinate branches of government and divides power between the federal and state governments. This careful demarcation of authority protects our basic liberties and guards against tyranny. *Gregory v. Ashcroft*, 501 U.S. 452, 458 (1991).

Every law Congress enacts must be based on at least one of its enumerated powers. *United States v. Morrison*, 529 U.S. 598, 607 (2000). If the federal government's powers were not restricted by Article I, judicial analysis could move straight to the Bill of Rights to determine whether there is some applicable limitation, bypassing the threshold question of whether Congress had the power to act in the first place. SYMPOSIUM: *Constitutional Challenges to Copyright: Alternatives to the Copyright Power: The Relationship of the Copyright Clause to the Commerce Clause and the Treaty Power*, 30 Colum. J.L. & Arts 287, 293-294 (2007) ("*Constitutional Challenges to*

Copyright"). Moreover, if one Clause with broad implications could stretch congressional power—the Commerce Clause, for example—the other enumerations would be superfluous. *United States v. Lopez*, 514 U.S. at 588 (Thomas, J., concurring).

The American system of enumerated federal powers is a critical reference point for this case. But from that point forward, the waters are murky and courts must wade in carefully to craft and apply some basic principles.

First, there is inevitable overlap among Article I's enumerated powers. Precedents establish that Congress is not *automatically* forbidden from taking action under an alternative source of authority, *provided* the independent requirements of the latter are satisfied. *United States v. Moghadam*, 175 F.3d 1269, 1278 (11th Cir. 1999). The Eleventh Circuit upheld an anti-bootlegging statute under the Commerce Clause because it was evident from the context that Congress, focused on interstate and international commerce, intended to deal with deleterious economic effects on the recording industry. *Id.* at 1276.

The mere fact that one grant of authority cannot sustain a law does not mean that another one cannot. The various powers enumerated in Article I, § 8 are generally independent of one another. *Id.* at 1277. In *Heart of Atlanta*, this Court upheld provisions in the Civil Rights Act of 1964 that regulated public accommodations for interstate travelers—under the Commerce Clause. *Heart of Atlanta Motel, Inc. v. United States*, 379 U.S. 241, 250 (1964). Congress did not violate any independent constitutional

provisions—on the contrary, the Act facilitate the exercise of fundamental rights. Similarly, Congress can use its Spending Clause authority, U.S. Const. art. I, § 8, cl. 1, to condition its appropriation of funds on a state's agreement to impose restrictions that Congress could not legislate directly. *South Dakota v. Dole*, 483 U.S. 203, 207 (1987). This merely encourages state action without coercing it or violating another part of the Constitution.

But courts must look at the bigger constitutional picture and consider whether Congress may exercise power under one clause so as to avoid affirmative limitations that would preclude it from passing identical legislation under another clause. *United States v. Moghadam*, 175 F.3d at 1277 (considering whether the Commerce Clause could enable legislation that could not be passed under the Copyright Clause); *United States v. Martignon*, 492 F.3d 140, 141 (2d Cir. 2007) (same—considering a law that prohibited the unauthorized recording of performances and subsequent trafficking in bootlegged phonorecords). When the Tenth Circuit initially considered this case, it recognized that "legislation promulgated pursuant to the Copyright Clause must still comport with other express limitations of the Constitution." *Golan II*, 501 F.3d at 1187. As this Court stated:

> Article I of the Constitution grants Congress broad power to legislate in certain areas. Those legislative powers are, however, limited not only by the scope of the Framers' affirmative delegation, but also by the principle that they

> may not be exercised in a way that violates other specific provisions of the Constitution.

Saenz v. Roe, 526 U.S. 489, 508 (1999) (internal quotation marks omitted). *See also Buckley v. Valeo*, 424 U.S. at 132 ("Congress has plenary authority in all areas in which it has substantive legislative jurisdiction so long as the exercise of that authority does not offend some other constitutional restriction.") (internal citation omitted).

Some of the Article I, § 8 powers contain affirmative prohibitions that must be respected—regardless of the source of Congress' power. Congress could not sidestep the "uniform laws" mandate of the Bankruptcy Clause by purporting to act under the Commerce Clause, even though bankruptcy is "intimately connected with the regulation of commerce." *Railway Labor Executives' Ass'n v. Gibbons*, 455 U.S. 457, 466 (1982) ("*Gibbons*"). It would not be appropriate for Congress to evade the originality inherent in the "writings" requirement of the Progress Clause by extending copyright-like protection to unoriginal works. Paul J. Heald, *The Vices of Originality*, 1991 Sup.Ct. Rev. 143, 168-75. Here, Congress should not be able to circumvent the "limited times" and "public purpose" mandates of the Progress Clause by resort to the Commerce Clause or its power over international affairs.

There may appear to be some tension between cases like *Heart of Atlanta* and *Moghadam*, allowing the use of an alternative source of power, and those like *Gibbons*, which demonstrate that "in some circumstances [one clause] cannot be used to eradicate a limitation placed upon Congressional power in

another grant of power." *United States v. Moghadam*, 175 F.3d at 1279-1280. In *Gibbons*, context and legislative history confirmed that Congress had enacted a *bankruptcy* law, exercising its powers under the Bankruptcy Clause. *Gibbons*, 455 U.S. at 466-467. But in *Martignon*, the outcome turned on the fact that the bootlegging statute was *not* a *copyright* law. *United States v. Martignon*, 492 F.3d at 152. Here, there is no dispute that Section 514 is a copyright law.

Ordinarily the limitations—not the powers per se—are alternative. Litigants typically argue that numerous constitutional violations have occurred in a particular case, but even *one* violation is sufficient to strike a statute. *Constitutional Challenges to Copyright*, 30 Colum. J.L. & Arts at 295. One of the implicit constraints on any exercise of congressional power is the limitations found elsewhere the Constitution, including the Bill of Rights. Where Progress Clause power is at issue, First Amendment limits are particularly relevant. *Copyright and the First Amendment*, 67 Wash & Lee L. Rev. at 876. And the "traditional contours" may be "too cramped an approach," allowing "far too great a deference to Congress in weighing important constitutional values." *Id.* at 880-881. In other contexts, this Court has not been so willing to defer to Congress—e.g., striking down campaign finance regulations as inconsistent with First Amendment rights in *Citizens United v. FEC*, 130 S. Ct. at 913. *Id.* at 881 n. 266.

The Progress Clause is "both a grant of Power and a limitation." *Bilski v. Kappos*, 130 S. Ct. 3218, 3252 (2010), *Eldred v. Ashcroft*, 537 U.S. at 212, both quoting *Graham v. John Deere Co.*, 383 U.S. at 5. This "qualified authority" contrasts with the practices of the

English Crown in granting monopolies to court favorites at the expense of the public. *Id*. In America, limited monopolies exist solely to benefit the public by providing incentives for invention and creative expression. This Court should take a global view of the Constitution in this case. Not only is Section 514 out of step with the Progress Clause, as Petitioners argue—it is not warranted by other potentially relevant Clauses, and it impoverishes the American public by compromising core First Amendment rights.

III. THE COMMERCE CLAUSE DOES NOT JUSTIFY AN END-RUN AROUND THE LIMITATIONS INHERENT IN THE PROGRESS CLAUSE.

The Government briefly presumes—in a footnote—that the Commerce Clause is an alternate source for Congress' authority to enact Section 514. Opp. Pet. 17, n. 9. This presumption glosses over this Court's continuing commitment to a limited federal government: "*Lopez* emphasized...that even under our modern, expansive interpretation of the Commerce Clause, Congress' regulatory authority is not without effective bounds." *United States v. Morrison*, 529 U.S. at 608, citing *United States v. Lopez*, 514 U.S. at 557. Commerce Clause power must be related to interstate or international commerce. *United States v. Lopez*, 514 U.S. at 551 (school zone gun restrictions not related to commerce); *United States v. Morrison*, 529 U.S. at 610 (gender-motivated crimes—same); *Gonzales v. Raich*, 545 U.S. 1, 35-36 (2005) (Scalia, concurring) (non-economic activity cannot be regulated on the basis of a "remote chain of inferences").

Section 514 is a *copyright* regulation. Unlike cases that cite the Commerce Clause as a legitimate source of power, this case does not involve an inherently *commercial* regulation. One of this Court's early cases addressed Congress' authority to enact trademark legislation. *In re Trade Mark Cases*, 100 U.S. 82 (1879). The Copyright Clause could not sustain the 1876 law because "the ordinary trade-mark has no necessary relation to invention or discovery." *Id.* at 94. The law was enacted to protect businesses, not to advance innovation or authorship. *Id.* Under the prevailing view of the Commerce Clause, Congress lacked authority to legislate regarding trademarks not used in interstate commerce. But trademarks are inherently commercial. Under today's more expansive view of the Commerce Clause, that Clause might provide a viable alternate to the Progress Clause. *United States v. Moghadam*, 175 F.3d at 1278.

Other copyright-commerce crossover cases implicate intrinsically commercial matters. *Heart of Atlanta* regulated commercial transactions—discriminatory practices in public accommodations (meals/lodging) that impeded interstate travel. *Heart of Atlanta Motel v. United States*, 379 U.S. at 247-248. The Second Circuit upheld a law that restricted the importation of foreign-manufactured English language literary works. *Authors League of America, Inc. v. Oman*, 790 F.2d 220 (2d Cir.1986). Two circuit cases have involved the unauthorized sale and recording of live performances. The Eleventh Circuit observed that "[t]he link between bootleg compact discs and interstate commerce and commerce with foreign nations is self-evident." *United States v. Moghadam*, 175 F.3d at 1276. The Second Circuit, similarly, found that "regulation of bootlegging is necessary at the

federal level because of its interstate and international commercial aspects." *United States v. Martignon*, 492 F.3d at 152. Both *Moghadam*[3] and *Martignon* involved live performances, rather than "writings," and the statutes challenged were commercial in nature—not copyright laws per se.

When the Commerce Clause is invoked as an alternate source of authority, the statute's purpose should be legitimate and constitutional. The quasi-copyright legislation in *Moghamad* was "in no way inconsistent with" and "further[ed] the purpose of the Copyright Clause to promote the progress of the useful arts by securing some exclusive rights to the creative author." *United States v. Moghadam*, 175 F.3d at 1280. The civil rights legislation in *Heart of Atlanta* was a legitimate means to facilitate the exercise of rights guaranteed by the Thirteenth, Fourteenth, and Fifteenth Amendments. *Heart of Atlanta Motel v. United States*, 379 U.S. at 276-277 (Black, J., concurring). The Enforcement Clause (§ 5 of the Fourteenth Amendment) provided an alternate and perhaps even more appropriate source of congressional authority to implement those rights. *Id.* at 280 (Black, J., concurring); *id.* at 293 (Goldberg, J., concurring).

Caution is required so as not to transgress affirmative limitations on the power of Congress. If a statute falls within the scope of a particular Clause—the Bankruptcy Clause in *Gibbons*, the

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[3] The statute in this case may have violated the Progress Clause's "limited times" requirement, but the court declined to raise that issue sua sponte in light of the Moghadam's failure to challenge the law on that basis. *United States v. Moghadam*, 175 F.3d 1269, 1281 (11th Cir. 1999).

Progress Clause in *Martignon* and in this case—the limits of that clause should be strictly observed. *United States v. Martignon*, 492 F.3d at 149 (concluding that Congress exceeds its Progress Clause power when "the law it enacts is an exercise of the power granted Congress by the Copyright Clause and the resulting law violates one or more specific limits of the Copyright Clause"). The Eleventh Circuit acknowledged the argument that:

> [S]ome of the grants of legislative authority in Article I, § 8 contain significant limitations that can be said to represent the Framers' judgment that Congress should be affirmatively prohibited from passing certain types of legislation, no matter under which provision.

United States v. Moghadam, 175 F.3d at 1279. That is exactly the rationale this Court employed in holding that "[u]like the Commerce Clause, the Bankruptcy Clause itself contains an affirmative limitation or restriction upon Congress' power: bankruptcy laws must be uniform through the United States." *Gibbons*, 455 U.S. at 468. This Court refused to exploit the Commerce Clause to sustain a non-uniform *bankruptcy* law. Applying the *Gibbons* reasoning to this case mandates a comparable conclusion:

> If this Court "were to hold that Congress had the power to enact [Section 514] pursuant to the Commerce Clause, [it] would eradicate from the Constitution a limitation on the power of Congress to enact [copyright] laws"—namely, the "limited times" restriction.

Gibbons, 455 U.S. at 469.

There is no dispute that Section 514 is a *copyright* regulation. "The language of the [Progress] Clause itself compels [this Court] to hold that such a [copyright] law is not within the power of Congress to enact." *Id.* at 471.

IV. THE TREATY CLAUSE DOES NOT JUSTIFY AN END-RUN AROUND EITHER THE FIRST AMENDMENT OR THE PROGRESS CLAUSE LIMITATIONS.

The Treaty Clause, U.S. Const., Art. II, § 2, cl. 2, authorizes the President to make Treaties with the advice and consent of the Senate. It does not expressly empower Congress to legislate, but "treaties made pursuant to that power can authorize Congress to deal with 'matters' with which otherwise 'Congress could not deal.' *Missouri v. Holland*, 252 U.S. 416, 433 (1920)." *United States v. Lara*, 541 U.S. 193, 201 (2004). Section 514 is not itself part of a treaty, but it was enacted to implement portions of the Berne Convention.

Courts ordinarily grant broad deference to the other branches of government in handling foreign affairs. But in spite of that deference, no international treaty can broaden the limited, enumerated powers of the federal government:

> No agreement with a foreign nation can confer power on the Congress, or on any other branch of Government, which is free from the restraints of the Constitution.

Boos v. Berry, 485 U.S. 312, 324 (1988), quoting *Reid v. Covert*, 354 U.S. 1 (1957) (Treaty Clause does not permit violation of Sixth Amendment rights).

The relationship between the Treaty Clause and the Progress Clause (or other constitutional provisions) is a matter of debate. Some would argue for a "subservience view" wherein the Treaty Clause is subject to the constraints of the Progress Clause. Others would contend for an "expansive autonomous view" with few restraints on the treaty power. A moderate "limited autonomous view" falls somewhere in between the "easy polarities" of the former and the "unfettered autonomy" of the latter view. *Constitutional Challenges to Copyright*, 30 Colum. J.L. & Arts at 298-302. Yet even the most expansive position "regards the Treaty Clause as a broad authority, wholly unconstrained by most other restraints on governmental action *except by restrictions that take the form of prohibitory words such as the First Amendment.*" *Id.* at 298 (emphasis added). Fundamental American rights are not so easily displaced by an international agreement. That is particularly true in light of the discretion within the Berne Convention itself, allowing countries flexibility to comply with their own constitutions (Art. 18(3) provides that "respective countries shall determine, each in so far as it is concerned, the conditions of application of this principle"). Even if the government's international powers could trump rights conferred by the Progress Clause—a proposition Petitioners do not concede—the First Amendment is a pillar of American freedom that cannot be dismantled by invoking Treaty Clause power.

This Court's precedents illuminate the Treaty Clause's relationship to other constitutional restraints on federal legislative power. The State of Missouri was unsuccessful in its challenge to the Migratory Bird Treaty Act of 1918, claiming an unconstitutional interference with state rights under the Tenth Amendment. But wild birds are not in anyone's possession, and the treaty "[did] not contravene any prohibitory words to be found in the Constitution." *Missouri v. Holland*, 252 U.S. at 433. This case contrasts with *Reid*, where allowing a civilian (military wife living abroad) to be tried and convicted by court martial would have contradicted explicit constitutional rights protected by the Fifth and Sixth Amendments. According to this Court, "[t]he United States is entirely a creature of the Constitution...[i]ts power and authority have no other source." *Reid v. Covert*, 354 U.S. at 5-6.

The Necessary and Proper Clause, U.S. Const. art. I, § 8, cl. 18, cannot salvage Section 514. In *Missouri v. Holland*, the treaty was valid and did not conflict with the Constitution, so Congress could legitimately enact legislation to implement it. *Missouri v. Holland*, 252 U.S. at 432. But in *Reid*, the Necessary and Proper Clause could not be hijacked to extend military jurisdiction to persons beyond those described in U.S. Const. art. I, § 8, cl. 14—"the land and naval forces." *Reid v. Covert*, 354 U.S. at 21. Similarly, Section 514 clashes with both the Progress Clause and the First Amendment. It is neither *necessary*—Congress had broad discretion to comply with the Constitution—nor is it constitutionally *proper*.

Certain basic principles are essential to maintaining the structure of American democracy: the

limits on federal power in Article I and the affirmative prohibitions in the Bill of Rights. Congressional power over foreign affairs does not justify either an expansion of its enumerated powers or encroaching on the rights guaranteed to Americans. An interest recognized in international law is not necessarily "compelling" for First Amendment purposes merely because it involves foreign relations. *Boos v. Berry*, 485 U.S. at 324. America's fundamental system dictates that no international agreement can override the Constitution unless it is properly amended:

> The concept that the Bill of Rights and other constitutional protections against arbitrary government are inoperative when they become inconvenient or when expediency dictates otherwise is a very dangerous doctrine and if allowed to flourish would destroy the benefit of a written Constitution and undermine the basis of our Government.

Reid v. Covert, 354 U.S. at 14.

CONCLUSION

Section 514 is an unconstitutional expansion of the limited, enumerated powers granted to Congress. It exceeds the limits imposed by the Progress Clause as well as affirmative prohibitions in the First Amendment. Congress cannot constitutionally trade away the American public's rights of free expression to public domain materials, so that the heirs of foreign authors can reclaim private interests in copyrights. This Court should declare the statute invalid and ensure that congressional power is confined within its constitutional boundaries.

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AMICUS CURIAE BRIEF

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IN THE

Supreme Court of the United States

LAWRENCE GOLAN, *et al.*,
Petitioners,

v.

ERIC H. HOLDER, JR., *et al.*,
Respondents.

ON WRIT OF CERTIORARI TO THE
UNITED STATES COURT OF APPEALS
FOR THE TENTH CIRCUIT

BRIEF FOR THE MOTION PICTURE ASSOCIATION OF AMERICA AS AMICUS CURIAE SUPPORTING RESPONDENTS

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TABLE OF CONTENTS

Page

TABLE OF AUTHORITIES iii

INTEREST OF AMICUS CURIAE 1

PRELIMINARY STATEMENT 2

SUMMARY OF ARGUMENT 4

ARGUMENT 8

I. SECTION 514 OF THE URAA DOES NOT VIOLATE THE FIRST AMENDMENT 8

A. Section 514 Is Not Subject To Heightened First Amendment Scrutiny 8

B. Even Under Intermediate Scrutiny, Section 514 Is Clearly Constitutional 15

1. The United States has an important interest in complying with the Berne Convention 15

2. The United States has an important interest in strengthening copyright protection for U.S. works in foreign markets 19

3. The United States has an important interest in encouraging the creation of new works 25

4. The United States has an important interest in correcting inequities caused by U.S. copyright law 27

5. Section 514 does not burden substantially more speech than necessary to achieve its objectives 28

TABLE OF CONTENTS—Continued

Page

II. SECTION 514 IS A VALID EXERCISE OF CONGRESS'S BROAD AUTHORITY UNDER THE COPYRIGHT CLAUSE 31

A. The Term Of Restored Copyrights Remains "Limited" 31

B. Section 514 Promotes The Progress Of Science And The Useful Arts 32

CONCLUSION 34

TABLE OF AUTHORITIES

CASES

Page(s)

Blanchard v. *Sprague*, 3 F. Cas. 648 (C.C.D. Mass. 1839) 33

Campbell v. *Acuff-Rose Music, Inc.*, 510 U.S. 569 (1994) 9

Crosby v. *National Foreign Trade Council*, 530 U.S. 363 (2000) 30

Eldred v. *Ashcroft*, 537 U.S. 186 (2003) ..... *passim*

Evans v. *Jordan*, 8 F. Cas. 872 (C.C.D. Va. 1813), *aff'd*, 13 U.S. (9 Cranch) 199 (1815) 33

Feist Publications, Inc. v. *Rural Telephone Service Co.*, 499 U.S. 340 (1991) 9

Golan v. *Gonzales*, 501 F.3d 1179 (10th Cir. 2007) 10, 31

Graham v. *John Deere Co.*, 383 U.S. 1 (1966) 33

Harper & Row, Publishers, Inc. v. *Nation Enterprises*, 471 U.S. 539 (1985) 8, 9, 25

Luck's Music Library, Inc. v. *Gonzales*, 407 F.3d 1262 (D.C. Cir. 2005) 31

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Munaf v. *Geren*, 553 U.S. 674 (2008) 30

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TABLE OF AUTHORITIES—Continued

Page(s)

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Turner Broadcasting System, Inc. v. *FCC*, 520 U.S. 180 (1997) 28, 30

Ward v. *Rock Against Racism*, 491 U.S. 781 (1989) 30

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Zacchini v. *Scripps-Howard Broadcasting Co.*, 433 U.S. 562 (1977) 9

WTO CASES

Japan—Measures Concerning Sound Recordings, Case No. WT/DS28 (Feb. 9, 1996) 18

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STATUTES AND REGULATIONS

17 U.S.C.

§ 102 8
§ 104A 29, 30, 31
§ 107 9
§ 108 29
§§ 108-122 10
§ 110 29
§ 111 29
§ 112 29
§ 115 29

TABLE OF AUTHORITIES—Continued

Page(s)

§ 116 29
§ 117 29
§ 118 29
§ 119 29
§ 121 29
§ 122 29

35 U.S.C.
§ 41 33
§ 151 33

Act of May 31, 1790, ch. 15, 1 Stat. 124 12

Act of Aug. 18, 1856, ch. 169, 11 Stat. 138 11

Act of Mar. 3, 1865, ch. 126, 13 Stat. 540 11

Act of Mar. 3, 1891, ch. 565, 26 Stat. 1106 ..... 10, 16

Act of Mar. 4, 1909, ch. 320, 35 Stat. 1075 ..... 11, 16

Act of Aug. 24, 1912, Pub. L. No. 62-303, 37 Stat. 488 11

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Act of Oct. 19, 1976, Pub. L. No. 94-553, 90 Stat. 2541 11

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Visual Artists Rights Act of 1990, Pub. L. No. 101-650, tit. VI, 104 Stat. 5089, 5128 11

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TABLE OF AUTHORITIES—Continued

Page(s)

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24 Fed. Reg. 4955 (June 18, 1959) 28

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Page(s)

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INTEREST OF AMICUS CURIAE[1]

The Motion Picture Association of America, Inc. (MPAA) is a not-for-profit trade association founded in 1922 to address issues of concern to the U.S. motion picture industry. Its members include Paramount Pictures Corporation, Sony Pictures Entertainment Inc., Twentieth Century Fox Film Corporation, Universal City Studios LLLP, Walt Disney Studios Motion Pictures, and Warner Bros. Entertainment Inc. MPAA's members and their affiliates are the leading producers and distributors of filmed entertainment in the theatrical, television, and home entertainment markets.

MPAA members depend upon copyright to protect their works. Were this Court to accept Golan's novel constitutional arguments, it would undermine U.S. efforts to secure overseas copyright protection for U.S. works and directly affect U.S. copyrights on numerous foreign works owned or licensed by MPAA members and their affiliates.

The MPAA has an interest in ensuring that the United States honors its obligations under Article 18 of the Berne Convention for the Protection of Literary and Artistic Works, Sept. 9, 1886, as revised at Paris on July 24, 1971, S. Treaty Doc. No. 99-27, 1161 U.N.T.S. 3 (Berne Convention), and Article 9 of the Agreement on Trade-Related Aspects of Intellectual Property Rights (TRIPS), Apr. 15, 1994, 33 I.L.M. 1197. Failure to

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[1] Letters consenting to the filing of amicus briefs have been filed by the parties with the Clerk of the Court. No counsel for a party authored this brief in whole or in part, and no person, other than amici, their members, or their counsel, made a monetary contribution to the preparation or submission of this brief.

honor those obligations could potentially subject U.S. copyright holders to retaliatory measures in other countries, to the detriment of the affected industries, the people they employ, and the broader U.S. economy.

PRELIMINARY STATEMENT

Section 514 of the Uruguay Round Agreements Act (URAA), 17 U.S.C. § 104A, brings the United States into compliance with its international obligations under Article 18 of the Berne Convention and Article 9 of TRIPS, strengthens the hand of trade negotiators seeking additional protection for U.S. works overseas, encourages investment in the creation and dissemination of creative works, and rectifies inequities created by U.S. copyright law. The provision reflects the considered judgment of the political branches regarding how best to integrate the United States' copyright system into the framework of the Berne Convention and TRIPS, while reinforcing the United States' position as a proponent of strong copyright protection throughout the world.

Golan and his amici attack Section 514 by trumpeting the value of the public domain. This case, however, is not about works in the broader public domain, such as "the Bible" (ISP Br. 15), "Shakespeare's plays" (*id.*), "fairy tales" (Dechenery Br. 4), "*Robin Hood*" (*id.* at 7), "*Alice's Adventures in Wonderland*" (*id.* at 8), "Gilbert and Sullivan's operettas" (*id.* at 18), "'The Star Spangled Banner'" (Google Br. 22), "'Keats' poems'" (*id.* at 23), "Little Red Riding Hood" (ALA Br. 14), or any work that has fallen into the public domain due to the expiration of its full copyright term. It is solely about a narrowly-defined class of foreign works that *prematurely* fell into the public domain due to rigid copyright formalities, the happenstance that the author lived in a

country without copyright relations with the United States, or the lack of subject matter protection for sound recordings fixed before 1972. The restored copyrights on these works do not last for a single day beyond the term they would have enjoyed but for those impediments—all of which are antithetical to the Berne Convention and TRIPS.

As with any copyright, a restored copyright protects only the author's particular expression of an idea, not the underlying idea itself. In addition, "fair use" of a work is permitted, and the statutory protections for teaching and libraries, as well as various compulsory licenses granted by statute, continue to apply. These limits are further supplemented by new provisions specific to restored copyrights. For example, any reliance party may continue to exploit a work indefinitely unless and until the copyright holder provides notice of intent to enforce its restored copyright—as has been done for only a small percentage of restored works. Even then, the reliance party has one year from the date of notice to dispose of existing copies or otherwise exploit the work, and any reliance party that has created a derivative work may continue to use it, subject only to the requirement of reasonably compensating the original author for future uses.

Taken together, these provisions strike a careful balance between the United States' obligations and objectives and the interests of reliance parties. The approach that Golan and his amici propose would not only undermine the credibility of the United States in international negotiations and expose it to the risk of trade sanctions, it would mark an unprecedented and unwarranted departure from this Court's long-standing deference to the political branches' balancing of the interests served by the Copyright Clause and transform is-

sues of copyright policy properly left to the political branches into constitutional questions under the First Amendment.

SUMMARY OF ARGUMENT

1a. Copyright laws such as Section 514 are not subject to heightened First Amendment scrutiny. As this Court explained in *Eldred* v. *Ashcroft*, 537 U.S. 186 (2003), copyright promotes the creation and dissemination of speech and contains built-in First Amendment accommodations. First, copyright distinguishes between ideas and expression, limiting protection to the latter. Second, the fair use defense permits copying of an author's expression for certain purposes. These limits are more than sufficient to protect First Amendment concerns.

Section 514 does not alter these limits on copyright protection or create liability for any acts prior to restoration. It merely restores protection during whatever unexpired portion of the copyright term would have remained if the work had not prematurely fallen into the public domain or been denied protection. Section 514 thus does not alter the "traditional contours" of copyright protection within the meaning of *Eldred*.

The Tenth Circuit erred when it transformed the phrase "traditional contours" into a general test that, in effect, requires heightened scrutiny of significant changes to copyright laws. Congress regularly adjusts copyright law in response to evolving circumstances and new understandings of how best to encourage authors and to promote free expression. Applying heightened First Amendment scrutiny every time Congress does so would improperly transform questions of policy traditionally left to Congress in the exercise of its au-

thority under the Copyright Clause into constitutional questions to be decided by the courts.

The argument that removing works from the public domain is different from other changes ignores the reasons *why* those works fell into the public domain in the first place and the larger context of copyright restoration. It is hardly a radical departure to say that where copyright protection was denied for reasons antithetical to the Berne Convention and TRIPS, that denial will not be given continued effect during whatever copyright term remains.

Indeed, Section 514 is not the first law to remove works from the public domain. Most notably, the first federal copyright law, the Copyright Act of 1790, extended copyright protection to previously unprotected works. Just as that legislation eased the transition to a national copyright system, Section 514 eases the transition to the international copyright regime established by the Berne Convention and TRIPS.

b. Even if Section 514 were subject to heightened scrutiny, it should be sustained. The United States' interest in adhering to the Berne Convention and TRIPS is beyond dispute. Although the United States availed itself of a transitional provision to delay implementing its Berne obligations, this became untenable after the United States signed TRIPS. Unlike Berne, TRIPS has a strong enforcement mechanism that allows countries to initiate World Trade Organization proceedings and, ultimately, to impose trade sanctions. In fact, upon joining the WTO, the United States used this mechanism to pressure Japan to honor its restoration obligations. As a result, Japan amended its law to restore protection for certain sound recordings.

Copyright restoration is not only something the United States must do to comply with its treaty obligations, but something it has a strong interest in doing to secure protection for U.S. works overseas and to improve trade protection across a broad spectrum of goods and services. If the United States had tried to minimize its obligations under the Berne Convention and TRIPS, other countries would have followed suit not just on copyright restoration, but on other obligations. As the largest creator and exporter of copyrighted works, the United States has an interest in signaling to the rest of the world that such a begrudging, incomplete approach to implementing intellectual property obligations is unacceptable.

Section 514 benefits U.S. authors by helping to secure reciprocal protection for their works overseas. When U.S. negotiators sought foreign protection for U.S. works, they were told it would not be provided unless the United States protected foreign works in the same manner. For example, Russia resisted providing protection for U.S. works created before the United States and the Soviet Union established copyright relations in 1973. But after the United States adopted Section 514, Russia restored the copyrights on U.S. works.

Section 514 also advances the United States' interest in encouraging the creation and dissemination of creative works. Authors creating new works today can be confident that because the United States indisputably discharged its obligations under the Berne Convention, it can press other countries to fulfill both the letter and the spirit of their obligations not only to restore copyright but to enact other key provisions that encourage the creation and protection of creative works. Section 514 also signals that as additional nations join the Berne Convention or the WTO, they will be re-

quired to restore copyright on eligible works. The provision additionally encourages investment in the preservation, restoration, and distribution of existing works. Further, revenue from foreign protection for existing works provides an important source of support to finance the production of new works.

Section 514 also advances the interest in relieving authors from the inequitable effects of strict copyright formalities and other restrictions that arbitrarily caused them to lose copyright protection before those restrictions were relaxed. Golan and his amici praise Dmitri Shostakovich and others, but never stop to consider the fundamental unfairness of depriving them and their heirs of compensation for the use of their works in the United States.

Section 514 does not burden substantially more speech than necessary to achieve these important objectives. Section 514 leaves in place the idea/expression dichotomy and the fair use defense, as well as other statutory exceptions that limit copyright. It also creates new exceptions specific to restored copyrights. Unless and until a copyright holder provides formal notice of intent to enforce its copyright, reliance parties may exploit a work indefinitely. Even where notice is provided, reliance parties may continue distributing or performing the work for a year, and creators of derivative works cannot be enjoined from exploiting their derivative works as long as they ultimately pay reasonable compensation for the continued use. These protections are more than sufficient to accommodate reliance parties' interests.

2. Section 514 is entirely consistent with the "limited Times" provision of the Copyright Clause because it restores copyrights only for whatever unexpired por-

tion of the copyright term remains. Section 514 also "promote[s] the Progress of Science and useful Arts," an issue that, if judicially cognizable, is reviewed at most under the rational basis test. For the same reasons that Section 514 survives intermediate scrutiny, it easily satisfies this highly deferential standard of review.

ARGUMENT

I. SECTION 514 OF THE URAA DOES NOT VIOLATE THE FIRST AMENDMENT

A. Section 514 Is Not Subject To Heightened First Amendment Scrutiny

Section 514 is, like other copyright laws, "compatible with free speech principles" and subject only to rational basis review. *Eldred* v. *Ashcroft*, 537 U.S. 186, 219 (2003). As explained in *Eldred*, the "Copyright Clause and First Amendment were adopted close in time," and the "'Framers intended copyright itself to be the engine of free expression.'" *Id.* (quoting *Harper & Row, Publishers, Inc.* v. *Nation Enters.*, 471 U.S. 539 (1985)). "The rights conferred by copyright are designed to assure contributors to the store of knowledge a fair return for their labors," *Harper & Row*, 471 U.S. at 546, and by providing this reward, "to promote the creation and publication of free expression," *Eldred*, 537 U.S. at 219 (emphasis omitted).

Copyright law also "contains built-in First Amendment accommodations." *Eldred*, 537 U.S. at 219. First, copyright "distinguishes between ideas and expression" and limits protection to particular expressions while permitting the free communication of "every idea, theory, and fact in a copyrighted work." *Id.*; *see also* 17 U.S.C. § 102(b). This "'idea/expression

dichotomy strike[s] a definitional balance between the First Amendment and the Copyright Act by permitting free communication of facts while still protecting an author's expression.'" *Eldred*, 537 U.S. at 219 (quoting *Harper & Row*, 471 U.S. at 556). It thus "encourages others to build freely upon the ideas and information conveyed by a work." *Feist Publ'ns, Inc.* v. *Rural Tel. Serv. Co.*, 499 U.S. 340, 350 (1991). Indeed, the idea/expression dichotomy is so protective of speech interests that "[c]ourts have rejected First Amendment challenges to the federal copyright law on the ground that no restraint [has been] placed on the use of an idea or concept." *Zacchini* v. *Scripps-Howard Broad. Co.*, 433 U.S. 562, 577 n.13 (1977) (internal quotation marks omitted).

Second, the "fair use" defense, codified at 17 U.S.C. § 107, "allows the public to use not only facts and ideas contained in a copyrighted work, but also expression itself in certain circumstances." *Eldred*, 537 U.S. at 219. Fair use thereby creates "breathing space within the confines of copyright." *Campbell* v. *Acuff-Rose Music, Inc.*, 510 U.S. 569, 579 (1994).

These traditional limits on copyright protection are more than sufficient to ensure that copyright "does not raise the free speech concerns present when the government compels or burdens the communication of particular facts or ideas." *Eldred*, 537 U.S. at 221. Copyright thus "bears less heavily" on First Amendment interests, and although it is not "'categorically immune from challenges under the First Amendment,'" "First Amendment scrutiny is unnecessary" where "Congress has not altered the traditional contours of copyright protection." *Id.*

Section 514 provides no basis for making an exception to this general rule. Section 514 merely grants foreign works that prematurely fell into the public domain copyright protection during whatever remains of their copyright term. It does not create liability for any acts prior to restoration or alter copyright's built-in protections for speech or the additional statutory exceptions codified at 17 U.S.C. §§ 108-122. In fact, Section 514 creates new exceptions that provide restored works narrower protection than other works. Section 514 thus does not "alter[] the traditional contours of copyright protection," 537 U.S. at 221, within the meaning of *Eldred*.

The Tenth Circuit erred when it transformed the phrase "traditional contours" into a general test that subjects changes to "the ordinary procedure of copyright protection" and "historical practice" to heightened First Amendment scrutiny. *Golan* v. *Gonzales*, 501 F.3d 1179, 1189 (10th Cir. 2007). *Eldred* did not establish a new test requiring that deviations from historical practice be closely scrutinized. It simply noted that the idea/expression dichotomy and fair use defenses—which the Court described earlier in the opinion as "traditional First Amendment safeguards," *id.* at 220—provide more than adequate protection for First Amendment activity.

Congress regularly adjusts copyright law in response to evolving circumstances and new understandings of how best to encourage authors and promote free expression. These adjustments often alter not only procedural or administrative aspects of copyright protection, but also the scope and nature of protection. For example, Congress broke new ground when it extended copyright protection to foreign works in 1891, Act of Mar. 3, 1891, ch. 565, § 13, 26 Stat. 1106, 1110; to

dramatic works in 1856, Act of Aug. 18, 1856, ch. 169, 11 Stat. 138; to photographs and photographic negatives in 1865, Act of Mar. 3, 1865, ch. 126, § 1, 13 Stat. 540, 540; to motion pictures in 1912, Act of Aug. 24, 1912, Pub. L. No. 62-303, 37 Stat. 488; to fixed sound recordings in 1972, Act of Oct. 15, 1971, Pub. L. No. 92-140, 85 Stat. 391; and to architectural works in 1990, Architectural Works Copyright Protection Act, Pub. L. No. 101-650, tit. VII, 104 Stat. 5089, 5133 (1990). Congress altered fundamental procedural rules when, for example, it relaxed the requirements of publication with notice, registration, and timely renewal in 1976, *compare* Act of Mar. 4, 1909, ch. 320, §§ 9, 10, 23, 35 Stat. 1075, 1077-1078, 1080, *with* Act of Oct. 19, 1976, Pub. L. No. 94-553, §§ 102, 302(a), 304, 408(a), 90 Stat. 2541, 2544-2545, 2572, 2573-2576, 2580, and fully eliminated the copyright notice requirement in 1989, Berne Convention Implementation Act of 1988, Pub. L. No. 100-568, § 7, 102 Stat. 2853, 2857-2859. Congress even changed the nature of the rights granted in certain works when it accorded certain visual artists "moral rights" adapted from the European tradition. Visual Artists Rights Act of 1990, Pub. L. No. 101-650, tit. VI, 104 Stat. 5089, 5128-5133.

Applying heightened First Amendment scrutiny every time Congress amends the copyright law would ensnare the courts in countless challenges to copyright legislation. The result would be to improperly transform questions of policy traditionally left to Congress under the Copyright Clause into constitutional questions decided by the courts. Nothing in the First Amendment requires such a remarkable expansion of judicial involvement in copyright policy.

Attempts to argue that Section 514 is different from other amendments because it restores works that

were in the public domain ignores the reasons *why* those works fell into the public domain in the first place. Copyright embodies a statutory bargain between authors and the public, under which authors receive "a special reward" "to motivate the[ir] creative activity" while the public receives "access to the products of their genius *after* the limited period of exclusive control *has expired.*" *Sony Corp.* v. *Universal City Studios, Inc.*, 464 U.S. 417, 429 (1984) (emphasis added). Section 514 merely ensures that for works prematurely cast into the public domain, the author is not unfairly deprived of the benefit of his or her labors during whatever time remains before the normal copyright term expires. This may prevent certain members of the public from continuing to reap a windfall, at the expense of the author, during the period that copyright protection was denied. *See infra* p. 28. But it is hardly a radical departure to say that where copyright protection was denied for reasons antithetical to the Berne Convention and TRIPS, that denial will not be given continued effect.

Indeed, Section 514 is not the first law to remove works from the public domain to ease the transition to an integrated copyright system or to correct for circumstances that unfairly caused authors to lose protection. *See* U.S. Br. 17-28. Most notably, the Copyright Act of 1790 granted copyright protection to "any map, chart, book or books *already printed* within the[] United States" at the time of the statute's enactment. Act of May 31, 1790, ch. 15, § 1, 1 Stat. 124, 124 (emphasis added). The statute thus extended copyright protection to previously unprotected work. This legislation "passed by the first Congress assembled under the Constitution, many of whose members had taken part in framing that instrument," and which was the Con-

gress that drafted the First Amendment, "is contemporaneous and weighty evidence of its true meaning." *Wisconsin* v. *Pelican Ins. Co.*, 127 U.S. 265, 297 (1888); *see also Myers* v. *United States*, 272 U.S. 52, 136 (1926).

Golan and his amici contend that the 1790 Act did not create new rights in published works, but merely recognized and circumscribed copyrights already in existence. This interpretation assumes that every work published at the time was already protected under state law. Yet not all states had copyright statutes in force in 1790. Delaware, for example, did not provide any statutory protection for printed works at the time. Maryland and Pennsylvania had enacted copyright statutes, but provided that those laws "would take effect only when all states had enacted such statutes," a condition that had not been met. Walterscheid, *Understanding the Copyright Act of 1790*, 53 J. Copyright Soc'y U.S.A. 313, 341 n.138 (2006). Accordingly, statutory copyright protection was unavailable in at least three states prior to 1790 when the first federal copyright law granted such protection to otherwise unprotected works. Landau, *Fitting United States Copyright Law into the International Scheme*, 23 Ga. St. U. L. Rev. 847, 875 (2007) ("[A]t the time of the Copyright Act of 1790, Delaware, Maryland, and Pennsylvania did not have any scheme of protection for authors' works.").

This leaves Golan to rely entirely on the supposition that common-law copyright existed throughout the United States at the time. As Golan's own amici admit, however, "there are no American cases before 1790 recognizing a common-law right in published works." Gomez-Arostegui Br. 4. In fact, this Court definitively held nearly two hundred years ago in *Wheaton* v. *Peters*, 33 U.S. (8 Pet.) 591 (1834), that common-law copy-

right did *not* exist throughout the United States at the time of the Founding. *See also* Patterson & Joyce, *Copyright in 1791*, 52 Emory L.J. 909, 928, 931 (2003).

Unable to refute that the First Congress extended copyright protection to works in the public domain, Golan attempts some slight of hand by redefining the public domain to exclude the example that disproves his case. Specifically, Golan argues (at 33) that "Congress *created* the public domain of the United States" when it enacted the first copyright statute in 1790 and thereafter began a tradition of not removing works from that public domain. (Emphasis added.) But by recasting the public domain as a statutory creation, Golan undercuts his argument that it is an inviolable constitutional requirement.

Further, the fact that the Copyright Act of 1790 was transitional legislation is exactly the point. Just as the First Congress "provided protection to previously published works in order ... to ease the transition from the uncertain and largely ineffective protection provided under the state copyright acts to a single federal copyright" (Gomez-Arostegui Br. 29), Section 514 eases the transition from a national copyright regime to the international copyright regime of the Berne Convention and TRIPS. There is more than one way to establish a historical tradition, and the strong parallels between the first Copyright Act and Section 514 demonstrate that, even if Congress does not remove works from the public domain every day, transitional measures such as Section 514 do not necessarily mark a break with tradition.

B. Even Under Intermediate Scrutiny, Section 514 Is Clearly Constitutional

Even if Section 514 were subject to heightened scrutiny, it should be sustained because, as the Court of Appeals concluded, it advances important governmental interests without burdening substantially more speech than necessary.

1. The United States has an important interest in complying with the Berne Convention

The United States' interest in adhering to the Berne Convention and TRIPS is beyond dispute. Those agreements provide the general framework for the United States' copyright relations with the 164 members of the Berne Convention and the 153 members of the WTO. To receive the substantial benefits of that membership, both on copyright and trade issues, a country must adhere to Berne and TRIPS.

a. A central principle of the Berne Convention is that "[t]he enjoyment and the exercise" of rights granted to foreign works "shall not be subject to any formality." Art. 5(2), 1161 U.N.T.S. at 35. The United States, however, was "slow to fully adapt its copyright laws to international norms." Landau, 23 Ga. St. U. L. Rev. at 847. It did not provide any copyright protection to foreign works until 1891. *Id.* at 847 n.3. It then waited over 100 years before adhering to the Berne Convention. During much of that time, the United States continued to apply strict copyright formalities. At various times copyright protection could be lost or denied for failure to affix a copyright notice to publicly distributed copies of a work, failure to deposit copies with the Library of Congress, failure to manufacture the work in the United States, or failure to make a

timely original or renewal registration. *See, e.g.*, Act of Mar. 4, 1909, ch. 320, §§ 9, 10, 15, 23, 35 Stat. 1075, 1077-1080; Act of Mar. 3, 1891, ch. 565, §§ 2-3, 26 Stat. 1106, 1107. As a result, many works entered the public domain long before their full copyright terms would have expired or never secured federal protection.

Another important principle of the Berne Convention is that as new countries adhere to it, their existing works will be protected in other Berne countries as long as their copyright terms have not expired. Article 18 requires extension of copyright protection to "all works" that "have not yet fallen into the public domain ... through the expiry of the term of protection" either in their country of origin or in the country in which protection is claimed. Art. 18(1)-(2), 1161 U.N.T.S. at 41.

As the hundredth anniversary of the Berne Convention came and went, a concerted effort was made to align the U.S. copyright system with international norms. The U.S. Trade Representative warned that the United States had become a "'second class citizen' in the copyright world." *The Berne Convention: Hearing Before the Subcomm. on Patents, Copyrights and Trademarks of the S. Comm. on the Judiciary*, 100th Cong. 93 (1988) (statement of Clayton Yeutter) (*Senate Berne Hearing*). He noted that trading partners "repeatedly asked the difficult question of why the United States was pushing so hard for strong copyright protection ... when we did not adhere to the Berne Convention." *Id.* at 96.

Members of Congress agreed that "100 years on the sidelines" was "long enough." 132 Cong. Rec. 27,695 (1986) (statement of Sen. Mathias). In 1988, Congress passed the Berne Convention Implementation Act, Pub. L. No. 100-568, 102 Stat. 2853. The 1988

Act, however, failed to implement the copyright restoration commitments in Article 18 of the Berne Convention, based in part on the transitional provisions of Article 18(3). It was only in 1994, when Congress enacted Section 514 of the URAA, that it finally came into compliance with Article 18.

b. Golan argues (at 17) that when "the United States joined Berne in 1988," "Congress specifically found that Article 18 permitted the United States to do so without removing any works from its public domain." The Berne Convention Implementation Act, however, embodied a "minimalist approach" to implementing the Berne Convention. H.R. Rep. No. 100-609, at 7 (1988). Far from rejecting the requirement to restore copyright protection for eligible works, Congress simply decided that "retroactivity can be addressed after adherence to Berne," *id.* at 52, and tabled the issue.

The decision to push the limits of Article 18(3) by delaying full implementation was largely driven by the Berne Convention's lack of an effective enforcement mechanism between member states. The General Counsel of the Office of the U.S. Trade Representative later explained: "Many Berne union members disagreed with our interpretation of [A]rticle 18 at the time. But the Berne Convention did not provide a meaningful dispute resolution process, and frankly, they could do very little more than raise their concerns with us." *See General Agreement on Tariffs and Trade (GATT): Intellectual Property Provisions: Joint Hearing Before the Subcomm. of Intellectual Property and Judicial Admin. of the H. Comm. on the Judiciary and the Subcomm. on Patents, Copyrights, and Trademarks of the S. Comm. on the Judiciary*, 103d Cong. 131 (1994) (statement of Ira Shapiro) (*URAA Hearing*). Another observer noted: "No machinery existed under

Berne to compel United States compliance or punish its non-compliance. Congress was, therefore, free to adopt a minimalist approach and evade Article 18." Karp, *Final Report, Berne Article 18 Study on Retroactive United States Copyright Protection for Berne and Other Works*, 20 Colum.-VLA J.L. & Arts 157, 172 (1996).

This failure to implement Article 18 quickly became untenable after the United States signed the TRIPS Agreement in 1994. Article 9 of TRIPS requires signatories to comply with Article 18 of the Berne Convention, 33 I.L.M. at 1201, and because TRIPS is enforceable through the World Trade Organization, countries that believe the United States has failed to honor its obligations can request WTO permission to impose trade sanctions.

This is not a hypothetical concern. When Japan failed to protect sound recordings made between 1945 and 1971, the United States (with European support) initiated the first-ever WTO proceeding to enforce TRIPS. *Japan—Measures Concerning Sound Recordings*, Case No. WT/DS28 (Feb. 9, 1996). In preparing for the action, the United States asked the World Intellectual Property Organization for its views on the proper interpretation of Article 18. The Director General's response concluded that Article 18(3) was a transitional measure that allowed only a temporary exception for reliance parties. *See* Obenski, *Retroactive Protection and Shame Diplomacy in the US-Japan Sound Recordings Dispute, or, How Japan Got Berne-d*, 4 Minn. Intell. Prop. Rev. 183, 202-203 (2002). Japan subsequently settled the dispute and provided the copyright restoration for sound recordings required by TRIPS.

Against this backdrop, the assurances of Golan and his amici that the United States could have granted a permanent exemption to reliance parties or even declined to restore any foreign copyrights are cold comfort—particularly to an industry, such as the motion picture industry, that might find itself in the cross-hairs of any effort to impose retaliatory trade sanctions against the United States.[2]

2. The United States has an important interest in strengthening copyright protection for U.S. works in foreign markets

Copyright restoration is not only something the United States must do to satisfy its treaty obligations, but something it has a strong interest in doing to secure protection for U.S. works overseas and to improve trade protection across a broad spectrum of goods and services.

a. Industries that depend on copyright protection, like the motion picture and television industry, form a vital and growing part of the U.S. economy. In 1977, "those American industries that marketed products dependent just on copyright protection contributed $55 billion, or 2.8 percent to the nation's GNP." Dam, *The Growing Importance of International Protection of Intellectual Property*, 21 Int'l Lawyer 627, 628 (1987). By 2007, the value added to GDP from "core copyright industries" whose primary purpose is to create, produce, distribute, or exhibit copyrighted materials had risen to

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[2] The WTO has already found that a different provision of U.S. copyright law violates TRIPS. *See United States—Section 110(5) of the U.S. Copyright Act*, Case No. WT/DS160 (June 15, 2000).

$889.1 billion, or 6.4 percent of GDP. Siwek, *Copyright Industries in the U.S. Economy: The 2003-2007 Report* 10 (2009).

The success of the U.S. copyright industries in foreign markets has long been one of the "few bright spots" "in the gloomy picture of American competition in world trade." 133 Cong. Rec. 14,149 (1987) (statement of Sen. Leahy). In four select copyright industries, foreign sales and exports increased from $36.19 billion in 1991 to $89.26 billion in 2002, reflecting a 9.45 percent average annual growth rate. Siwek, *Copyright Industries in the U.S. Economy: The 2004 Report* 10 (2004) (motion pictures, TV, and video; newspapers, books, and periodicals; software; and recorded music). From 2003 to 2007, foreign sales and exports rose again from $95.23 billion to $125.64 billion. Siwek 2003-2007, at 16. In 2007, these four copyright industries exceeded the foreign sales and exports of many other leading industries, including aircraft, agricultural products, automobiles, and pharmaceuticals. *See id.* at 7.

The overseas revenue generated by the copyright industries helps to reduce the U.S. trade deficit. The U.S. International Trade Commission estimated that in 1982 "the copyright industries earned a trade surplus of over $1.2 billion." 133 Cong. Rec. 36,214 (1987) (statement of Malcolm Baldrige, Secretary of Commerce). By 2007, the motion picture and television industry alone generated a trade surplus of $13.6 billion. MPAA, *The Economic Impact of the Motion Picture & Television Industry on the United States* 7 (2009). International revenue more than doubled between 1992 and 2007 and accounts for nearly half of the motion picture and television industry's total revenue. *Id.* Foreign markets are thus critical to the success of the industry and the incentive to create new works in this country.

b. As the world's largest creator and exporter of copyrighted works, the United States has the most to gain from robust copyright protection. Copyright restoration is only one part of a larger constellation of measures designed to protect the rights of authors and owners.[3] Even assuming Congress could have provided less protection for restored works without facing the risk of trade sanctions, Congress properly concluded that doing so would have weakened the United States' pursuit of its foreign policy objectives by encouraging other countries to read their own obligations under TRIPS, the Berne Convention, and other international agreements narrowly.

For example, Article 1.1 of TRIPS provides that "[m]embers shall be free to determine the appropriate method of implementing the provisions of this Agreement within their own legal system and practice." Article 8 provides that "[m]embers may, in formulating or amending their laws and regulations, adopt measures necessary to protect public health and nutrition." Article 13 limits "exceptions to exclusive rights to certain special cases which do not conflict with a normal exploitation of the work and do not unreasonably prejudice the legitimate interests of the right holder." All of

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[3] Among other things, TRIPS and Berne prohibit copyright formalities, Berne art. 5, ¶ 2; require that members treat foreign nationals no less favorably than their own nationals ("national treatment"), TRIPS art. 3, ¶ 1; Berne art. 5; entitle member states to most-favored nation treatment, TRIPS art. 4; require copyright protection of cinematographic works, Berne art. 14 bis, computer programs, TRIPS art. 11, and sound recordings, TRIPS art. 14; protect performance rights, Berne arts. 11, 11 bis, 11 ter, and rights in derivative works, Berne arts. 12, 14; and establish a minimum copyright term, TRIPS art. 13; Berne art. 7.

these provisions leave room for interpretation that, if abused, could substantially undermine protection for copyrights, patents, and trademarks.

The United States has a strong interest in signaling to the rest of the world that a begrudging, incomplete approach to implementing intellectual property obligations is unacceptable. The U.S. Trade Representative has explained that the United States often "asks other countries to take 'politically difficult' steps to improve the protection of intellectual property." *Senate Berne Hearing* 101 (statement of Clayton Yeutter). Indeed, "[d]eveloping countries generally have to engage in greater efforts to bring their laws, judicial processes, and enforcement mechanism into compliance with the TRIPS Agreement." Ilias & Fergusson, *Intellectual Property Rights and International Trade* 19 (2011). For example, "[p]utting 'pirates' out of business in Thailand, China or Mexico places ... political and economic strains on those countries." *URAA Hearing* 268 (statement of Jason S. Berman, RIAA). The United States' "leverage" in such negotiations "comes from setting the right example for the rest of the world." *Senate Berne Hearing* 101 (statement of Clayton Yeutter, U.S. Trade Representative). If the United States had tried to transform Article 18(3) into a loophole for avoiding its obligations under the Berne Convention, other countries would have followed suit not just with respect to copyright restoration, but with respect to other obligations that they find politically expedient to disregard.

c. In addition to supporting broader efforts to strengthen intellectual property norms, Section 514 directly benefits U.S. authors by helping to secure reciprocal protection for their works overseas. Because "there are vastly more US works currently unpro-

tected in foreign markets than foreign ones here," copyright restoration operates "dramatically in favor of US industries." *URAA Hearing* 262 (statement of Jason Berman, RIAA). An MPAA representative testified that the motion picture industry's "greatest opportunity for growth is overseas," particularly "in countries that do not now recognize our rights in existing works." *Id.* at 253 (statement of Matt Gerson, MPAA). At stake were "some 30,000 movie titles and many more that number in TV shows" that might otherwise be denied protection. *Id.* Thus, the United States would be the "obvious loser" if it failed to "set the proper example by providing copyright protection to older foreign works." *Id.* at 254.

As of 1994, for example, sound recordings were "unprotected in as many as 70 countries." *URAA Hearing* 262 (statement of Jason Berman, RIAA). Russia and the eleven other members of the Commonwealth of Independent States provided no protection for films, cartoon characters, music, and books created before 1973. *Id.* at 250 (statement of Eric Smith, IIPA). The same was true in South Korea for pre-1987 works. *Id.* at 250-251. And Latvia and Lithuania, upon independence from the Soviet Union, provided no retrospective protection for films. *Id.* at 250. As a result, "billions of dollars" were "lost every year by U.S. authors, producers and publishers" because the United States' trading partners failed "to protect U.S. works which were created prior to the date the U.S. established copyright relations with that country" or which had otherwise "fallen prematurely out of copyright." *Id.* at 246.

The United States had learned from experience that its ability to convince other countries to protect U.S. works depended on the example it set. After the

United States took a minimalist approach to its Berne obligations in 1988, "new adherents to the Convention" began to "rely upon" U.S. "denial of retroactivity as precedent for a similar denial of protection in their own implementing legislation." Deters, *Retroactivity and Reliance Rights Under Article 18 of the Berne Copyright Convention*, 24 Vand. J. Transnat'l L. 971, 997 (1991); *see also URAA Hearing* at 253 (statement of Matt Gerson, MPAA) ("In order for most United States works to gain protection in Russia and the other former Soviet republics, the former Eastern bloc countries, South Korea and elsewhere, the United States must extend copyright protection to older works that were created in those and other foreign countries."); Karp, 20 Colum.-VLA J. L. & Arts at 236 ("Other countries are refusing to give retroactive protection to U.S. works until the United States complies with Article 18[.]").

Officials reported that when U.S. negotiators "urged others to provide protection for our industries' repertoire of existing copyright works," they were "often confronted with the position that such protection will be provided there when we protect their works in the same manner here in the United States." *URAA Hearing* 120 (comments of Bruce Lehman, Assistant Secretary of Commerce and Commissioner of Patents and Trademarks). The General Counsel of the Office of the U.S. Trade Representative testified that "if the largest exporter of copyright material in the world takes the position that we have no or limited obligations" under Berne, it would "have little credibility in convincing our trading partners that they should be protecting" U.S. works. *Id.* at 131 (statement of Ira Shapiro); *see also id.* at 247 (statement of Eric Smith, IIPA) ("[W]hat the United States does in this area will carry great weight in the international community.").

For example, Russia "made clear that it will provide retroactive protection for 'works' only if the U.S. reciprocates with retroactive protection for Russian works." *URAA Hearing* at 249 n.2 (statement of Eric Smith, IIPA). This commitment to follow the United States' lead on copyright restoration was memorialized in a bilateral trade agreement in which Russia pledged to join the Berne Convention and to comply with Article 18's requirement to protect pre-existing works. *See* Exchange of Notes Concerning the Entry into Force of the Agreement on Trade Relations, U.S.-Russ. Fed'n, June 17, 1992, 31 I.L.M. 790; Agreement on Trade Relations, U.S.-U.S.S.R., art. VIII, ¶¶ 2-3, June 1, 1990, 29 I.L.M. 946, 856. Congress's adoption of Section 514 thus set the stage for Russia to reciprocate, which it did by granting full protection to existing U.S. works. *See* U.S. Br. 51 n.23; JA 149-151, 155-157.

3. The United States has an important interest in encouraging the creation of new works

The United States has a substantial interest in encouraging the investment of time, money, and effort needed to create and disseminate creative works. *See Harper & Row*, 471 U.S. at 558. Although many U.S. works for which the United States has sought reciprocal protection in other countries were created before the enactment of Section 514, the law nonetheless encourages the creation of new works and the dissemination of existing or restored works in several ways.

First, as discussed above, Section 514 is only one part of a larger framework of intellectual property protections. Adherence to the Berne Convention initially opened 24 new countries to copyright protection for U.S. works. H.R. Rep. No. 100-609, at 19. Since then,

the Berne Convention has added over 80 members, and more than 10 additional WTO members must comply with its dictates under the TRIPS Agreement. *See* U.S. Copyright Office, Circular 38A, *International Copyright Relations of the United States* 2-10 (2010). Authors creating new works today can be confident that because the United States indisputably discharged its obligations under Article 18 of the Berne Convention, it is in a position to press these countries to fulfill both the letter and the spirit of their international obligations.

Second, Section 514 encourages the creation of new works by signaling to U.S. authors that existing and newly joining Berne Convention and WTO members will fully protect their works. For example, if a motion picture were made today based on the critically acclaimed novel *A Thousand Splendid Suns*, as was done with Khaled Hosseini's earlier novel *The Kite Runner*, the creator would know that if and when Afghanistan finally adheres to the Berne Convention, the movie will receive protection in that country even though it was made before Afghanistan and the United States established copyright relations. Similarly, an author working shortly after Congress enacted Section 514, when a substantial number of countries had not yet joined the Berne Convention or the WTO, would have known that the expected rewards of creating a new work would continue to grow as those countries joined, even if they did not join until after the new work was created. *See URAA Hearing* 189 (statement of Professor Shira Perlmutter).

Third, Section 514 encourages the restoration and dissemination of existing works. Films, which are subject to deterioration, are expensive to preserve and restore. Copyright restoration encourages the invest-

ment needed to ensure that classic foreign films are not lost forever and, instead, are made available to a wider audience through restoration and conversion to new media.

Fourth, as explained by the former Register of Copyrights and quoted by this Court in *Eldred*, "copyright for existing works" can "'provide additional income'" that is used to "'finance the production and publication of new works.'" 537 U.S. at 207 n.15. "'Authors would not be able to continue to create ... unless they earned income on their finished works.'" *Id.* For example, Noah Webster "'supported his entire family from the earnings on his speller and grammar during the twenty years he took to complete his dictionary.'" *Id.* Similarly, movie studios depend on the income they earn from their back catalogues, much of it earned overseas, for financial support as they shoulder the substantial risk and expense of creating new films.

4. The United States has an important interest in correcting inequities caused by U.S. copyright law

The United States has an interest in granting authors relief from the inequitable effects of the strict copyright formalities and other restrictions that caused their works to fall prematurely into the public domain. For decades, authors would routinely lose copyright protection for failure to adhere to technical requirements, such as affixing notice to the copyrighted work, formally registering the work, and filing timely renewal applications.

These requirements fell particularly hard on authors unfamiliar with the peculiarities of the U.S. copyright system. *URAA Hearing* 191 (statement of Professor Shira Perlmutter). Indeed, the Copyright Office

took the position that publication *in a foreign country* without the requisite copyright notice permanently deprived a work of copyright protection in the United States. *See* 24 Fed. Reg. 4955, 4956 (June 18, 1959) (codified at 37 C.F.R. § 202.2(a)(3) (1959)) ("Works first published abroad ... must bear an adequate copyright notice at the time of their first publication in order to secure copyright under the law of the United States."). Other works fell into the public domain automatically upon publication, regardless of any efforts at compliance, simply because their author lived in a country that did not have copyright relations with the United States at the time. *See* Ricketson, *U.S. Accession to the Berne Convention: An Outsider's Appreciation (Part 2)*, 8 Intell. Prop. J. 87, 109-110 (1993). Others lost protection for failure to file timely registrations or renewals with the Copyright Office.

Section 514 ensures that foreign authors unfairly deprived of their rights do not continue to suffer from the lingering effects of restrictions that are antithetical to the Berne Convention. Golan and his amici argue for a right to continue performing and distributing the symphonies of Dmitri Shostakovich and others without paying any royalties or licensing fees. But they completely ignore the injustice to those authors and their heirs from being deprived of compensation for use of their works in the United States.

5. Section 514 does not burden substantially more speech than necessary to achieve its objectives

Section 514 does "not burden substantially more speech than necessary" to achieve its objectives. *Turner Broad. Sys., Inc.* v. *FCC*, 520 U.S. 180, 185 (1997) (*Turner II*). As discussed, Section 514 does not

disturb the idea/expression dichotomy and the fair use defense. Nor does it disturb other exceptions that limit the scope or application of copyright. *See, e.g.*, 17 U.S.C. § 108 (protections for libraries and archives); *id.* § 110 (protections for certain face-to-face teaching activities, religious assemblies, and social functions of nonprofit veterans' and fraternal organizations, etc.); *id.* §§ 111 and 119 (exemptions and statutory licenses for certain secondary transmissions); *id.* § 112 (ephemeral recordings); *id.* § 115 (compulsory license for making and distributing phonorecords); *id.* § 116 (jukebox licenses); *id.* § 117 (copying and adaptation of computer programs); *id.* § 118 (rates and terms for noncommercial broadcasting); *id.* § 121 (materials for the blind and disabled); *id.* § 122 (secondary transmissions by satellite carriers).

Congress also took care to provide significant protections for all users of restored works. Section 514 imposes no remedies for actions occurring before restoration. For reliance parties, Section 514 places the burden on copyright holders to provide notice of intent to enforce their copyrights. 17 U.S.C. § 104A(c). In the absence of notice, reliance parties may exploit a work indefinitely. *Id.* § 104A(d)(2). The contention that Section 514 creates a vast new class of "orphan works" (ALA Br. 22) for which "the difficulty and cost of even locating the relevant 'rightsholder' from whom a license might be negotiated are ... often insurmountable" (Google Br. 14), entirely ignores this notice requirement.

Even where notice is provided, reliance parties still receive a one-year grace period *from the date of notice* to continue distributing or performing the work. 17 U.S.C. §104A(d)(2). Creators of derivative works receive even more protection: After the grace period ex-

pires, they cannot be enjoined from exploiting their derivative works for the remainder of the copyright term as long as they ultimately pay "reasonable compensation" to the copyright holder. *Id.* § 104A(d)(3).

These protections are more than sufficient to accommodate reliance parties' interests. Even under intermediate scrutiny, Congress need not select the "least restrictive or least intrusive means" of pursuing its objectives. *Ward* v. *Rock Against Racism*, 491 U.S. 781, 798 (1989). "Sound policymaking often requires legislators to forecast future events and to anticipate the likely impact of these events based on deductions and inferences for which complete empirical support may be unavailable," *Turner Broad. Sys., Inc.* v. *FCC*, 512 U.S. 622, 665 (1994) (plurality opinion), and "'courts must accord substantial deference to the predictive judgments of Congress,'" *Turner II*, 520 U.S. at 195. Even greater deference is warranted where those judgments involve foreign policy. *See, e.g., Munaf* v. *Geren*, 553 U.S. 674, 700-703 (2008); *Crosby* v. *National Foreign Trade Council*, 530 U.S. 363, 386 (2000).

Extensive evidence in the record before Congress showed that broader exceptions for reliance parties would have undercut Congress's objectives, not only with respect to securing reciprocal protection for U.S. works, but also in efforts to convince other countries to comply with both the letter and spirit of all their obligations under TRIPS and the Berne Convention. *See supra* Part I.B.2. The political branches were uniquely equipped to make those judgments, and the careful balance they struck between achieving Section 514's objectives and protecting the interests of reliance parties should not be set aside.

II. SECTION 514 IS A VALID EXERCISE OF CONGRESS'S BROAD AUTHORITY UNDER THE COPYRIGHT CLAUSE

The only two courts of appeals to consider the question have both rejected the argument that Section 514 violates the Copyright Clause. *E.g.*, *Golan*, 501 F.3d at 1186-1187; *Luck's Music Library, Inc.* v. *Gonzales*, 407 F.3d 1262, 1263-1266 (D.C. Cir. 2005). This Court should do the same.

A. The Term Of Restored Copyrights Remains "Limited"

Section 514 is entirely consistent with the "limited Times" provision of the Copyright Clause. Section 514 restores copyrights only for "the remainder of the term of copyright that the work would have otherwise been granted in the United States if the work never entered the public domain." 17 U.S.C. § 104A(a)(1)(B). It does not restore the time lost while copyright protection was not in effect. As such, the length of the copyright term restored under Section 514 is no longer than the length of the term for other copyrights, and Section 514 comes nowhere close to establishing "a regime of perpetual copyrights," *Eldred*, 537 U.S. at 209.

Unable to challenge the restored term's length, Golan argues (at 22) that Section 514 "violates the 'limited [t]imes' restriction by turning a fixed and predictable period into one that can be reset or resurrected." Yet, this Court has already rejected the argument that under the "limited Times" clause, "a time prescription, once set, becomes forever 'fixed' or 'inalterable.'" *Eldred*, 537 U.S. at 199. *Eldred* also noted that "the precise duration of a federal copyright has never been fixed at the time of the initial grant" and that today "the baseline copyright term is measured in part by the life of the author." *Id.* at 201 n.6. Golan's argument re-

garding certainty is properly directed to Congress, not enshrined as a constitutional command.

B. Section 514 Promotes The Progress Of Science And The Useful Arts

Golan's argument (at 23-25) that Section 514 does not "promote the Progress of Science and useful Arts" also fails. To the extent this prefatory clause even constitutes a judicially enforceable limit on Congress's authority, *see* U.S. Br. 16, the only question would be whether Section 514 "is a rational exercise of the legislative authority conferred by the Copyright Clause," *Eldred*, 537 U.S. at 204. "On that point," the Court "defer[s] substantially to Congress." *Id.* "Calibrating rational economic incentives ... is a task primary for Congress, not the courts," and this Court is "not at liberty to second-guess congressional determinations and policy judgments of this order," even where it considers them "debatable or arguably unwise." *Id.* at 207 n.15, 208. For the same reasons that Section 514 survives intermediate scrutiny, it easily satisfies this highly deferential standard of review.[4]

Golan tries to distance this case from *Eldred* by positing a strong historical tradition against removing works from the public domain. As discussed, however, this argument ignores the parallels between Section 514 and prior restorations, including the First Congress's removal of works from the public domain in 1790.

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[4] Were this Court to find a Copyright Clause violation, it should remand for consideration of whether Section 514 is a valid exercise of one of Congress's other enumerated powers. *See* U.S. Br. 33 n.15.

In addition, *Eldred* noted that "[b]ecause the Clause empowering Congress to confer copyrights also authorizes patents, congressional practice with respect to patents informs [the Court's] inquiry." 537 U.S. at 201. *Eldred* then cited several cases, some of which involved patents that were legislatively restored after lapsing for a period. *See McClurg* v. *Kingsland*, 42 U.S. (1 How.) 202, 207 (1843); *Blanchard* v. *Sprague*, 3 F. Cas. 648, 650 (C.C.D. Mass. 1839) (Story, J.); *Evans* v. *Jordan*, 8 F. Cas. 872, 874 (C.C.D. Va. 1813) (Marshall, J.), *aff'd*, 13 U.S. (9 Cranch) 199 (1815).[5] Patents are also regularly revived after the late payment of certain fees. For example, if a patent owner fails to make a maintenance fee payment—an act akin to failing to comply with copyright formalities—the patent lapses into the public domain. But if the failure was "unintentional" or "unavoidable," the patent may be restored for whatever time remains on its term. 35 U.S.C. § 41(c)(1); *see also id.* § 151 (restoration of lapsed patents based on "unavoidable" delay in paying issuance fee). Thus, it is possible for the information protected by a utility patent or the design protected by a design patent to enter the public domain for a period before protection is restored. If Golan's argument were accepted, it would strip Congress of authority not only to enact Section 514, but to enact any statute that restores protection of works in the public domain regard-

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[5] Golan argues (at 22) that *Graham* v. *John Deere Co.*, 383 U.S. 1 (1966), prohibits the removal of works from the public domain. *Graham*, however, involved the statutory bar against patenting inventions that are obvious. In *Eldred*, this Court distinguished *Graham* and rejected the argument that it had undermined *McClurg*, *Evans*, and *Blanchard*, on which the Court continued to rely. 537 U.S. at 202 n.7.

less of the reason that protection was lost. That is not and cannot be what the Framers intended.

CONCLUSION

For the reasons stated above, the judgment of the Court of Appeals should be affirmed.

Respectfully submitted.

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AUGUST 2011

AMICUS CURIAE BRIEF

No. 10-545

In the Supreme Court of the United States

LAWRENCE GOLAN, ET AL.,

Petitioners,

v.

ERIC H. HOLDER, JR.,
ATTORNEY GENERAL, et al.

Respondent.

ON WRIT OF CERTIORARI TO THE
UNITED STATES COURT OF APPEALS FOR THE TENTH CIRCUIT

AMICUS BRIEF ON BEHALF OF PROJECT PETRUCCI, LLC IN SUPPORT OF PETITIONERS

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June 20, 2011

TABLE OF CONTENTS

TABLE OF AUTHORITIES iv

INTERESTS OF AMICUS CURIAE 1

SUMMARY OF ARGUMENT 3

ARGUMENT 6

I. New Collaborative Forms of Production Promise Greater Access to the Public Domain 6

II. Uncertainty is the Primary Enemy of the Public Domain and Section 514 Creates Enormous Uncertainty 9

A. IMSLP Case Studies: How copyright uncertainty hurts a Public Domain business. 9

B. IMSLP Case Studies: Businesses who wrongfully capitalize on uncertainty. 12

III. The Lower Court Underestimated the Potential Impact of Section 514 on Reliance Users and Ignored the Reality of the Internet 14

IV. The Public Domain Serves as a Shared Resource for Cultural Construction 17

V. The Public Domain is an Important Alternative to Copyrighted Works 20

A. Licensed compositions are no substitute for the Public Domain.....20

B. The Founders regarded the Public Domain with equal or greater esteem than copyright itself.....23

C. The Public Domain must be set off from copyright with bright lines.....25

D. IMSLP Case Studies: Technological advances and new possibilities to tap the Public Domain.....27

VI. With the Foregoing Considerations In Mind, Section 514 Cannot Pass Intermediate Scrutiny.....29

A. U.S. rights holders were not entitled to revenues in foreign nations when Section 514 was passed and therefore these sums should not qualify as "losses" or "real" harm.....29

B. Congress targeted the speech of over 300 million Americans, which did not create the "same evils" sought to be remedied. 31

C. Section 514 curtails the speech of over 300 million Americans who share in the Public Domain.....32

D. The availability of a less restrictive alternative *must* be relevant under this Court's jurisprudence. 34

E. Section 514 leaves no alternative channels for communicating restored works. 35

CONCLUSION 38

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240 F.3d 437 (5th Cir. 2001) 32

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INTERESTS OF AMICUS CURIAE[1]

Project Petrucci, LLC owns and operates the International Music Score Library Project ("IMSLP"), the largest freely accessible online repository for Public Domain music scores.[2] IMSLP is run primarily by a small group of volunteer musicians and music-lovers who wish to promote creativity through the study and enjoyment of music. Each day, IMSLP receives 90,000 visits from 60,000 unique visitors, totaling approximately 1.1 million different users per month.[3] Visitors enjoy free, unlimited, and instantaneous access to over 300 gigabytes of data comprised of almost 96,000 music scores from over 5,600 composers around the world. IMSLP's users download these works from the website approximately 150,000 times each day. IMSLP's consumers range from professionals and academics to hobbyists and casual inquirers.

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[1] Project Petrucci submits this amicus curiae brief in support of Petitioners pursuant to Rule 37 of this Court. No counsel for a party authored this brief in whole or in part, and no person or entity other than amicus curiae, or its counsel, made a monetary contribution to the preparation or submission of this brief. Both parties filed blanket consent for the filing of amicus curiae briefs. Nevertheless, Project Petrucci provided notice of its intent to file this brief to counsel of record for both parties. The parties have consented to the filing of this brief.

[2] IMSLP is located at http://imslp.org.

[3] All IMSLP numbers are true as of June 12, 2011. Documents pertaining to IMSLP figures and affairs are on file with Project Petrucci President Edward Guo.

Recent technological advances have made it possible to collect, catalog, and access the communal property that comprises the Public Domain for the benefit of our shared culture. Because an inaccessible Public Domain is in fact no "public" domain at all, IMSLP endeavors to map the Public Domain and offer it in nothing less than its entirety. Doing so ensures universal access to the wealth of common cultural resources envisioned by the Founders. Indeed, the amount of Internet traffic on IMSLP demonstrates the considerable demand for Public Domain works.

Project Petrucci files this brief because upholding the removal of works from the Public Domain under Section 514[4] would pose a significant threat to IMSLP and other entities that might undertake the task of collecting and providing access to the Public Domain. In an already uncertain copyright environment, undermining a settled and fundamental assumption — namely that works in the Public Domain will remain there — exposes businesses to potentially devastating liability and impedes the public's rightful access to its shared resources in the Public Domain.

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[4] Section 514 of the Uruguay Round Agreements Act ("URAA") was codified as 17 U.S.C. §§ 104A and 109(a). Hereinafter, the provisions will be referred to as "Section 514."

SUMMARY OF ARGUMENT

The decision below shakes the foundations of the Public Domain and erodes the last vestige of certainty available to entities hoping to harness the Public Domain while complying in earnest with copyright law. This Court has recognized that intellectual property law must be clear enough to allow businesses to organize their affairs. See, e.g., Festo Corp. v. Shoketsu Kinzoku Kogyo Kabushiki Co., 535 U.S. 722, 730–31 (2002) ("The monopoly is a property right; and like any property right, its boundaries should be clear. This clarity is essential to promote progress . . . ."). Yet uncertainty regarding copyright law remains pervasive: a licensing structure that makes it difficult and sometimes impossible to license certain copyrighted works, a regime of draconian strict liability with an enormous and unpredictable range of statutory damages, and a multifactor fair use doctrine that has no bright lines and puts the burden of proof on the alleged infringer. See, e.g., Lyman Patterson and Stanley Lindberg, The Nature of Copyright: A Law of User's Rights 103 (1991).[5] The last bastion of certainty was that once the copyright term concludes for a work, that work would belong to

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[5] "The paradox of section 107" according to Lyman and Lindberg, "is that while it is intended as a limitation on the copyright monopoly, it in fact works to enhance that monopoly . . . . [T]he factors of fair use are stated in terms of the interests of copyright owners; it fails to distinguish between users, who fall into two groups—competitors and consumers; and it provides the basis for an inference that the work and the copyright of the work are the same thing."

the citizens of the United States as common property in the Public Domain in perpetuity. Businesses and the public at large could organize their affairs around the secure resources of the Public Domain. The decision below took away this last shred of certainty.

The Government and the court below err in their analysis of the impact of Section 514 on Free Speech as well as the harm the provision causes to the Public Domain and its users. First, both the Government and the court below failed to consider the realities of the Internet, which must be accounted for in today's economy.[6] Second, neither the Government nor the court below gave proper credence to the value of the Public Domain. Instead, the court opted for a formula that took away the benefit of certain Public Domain works from over 300 million Americans[7] and concentrated those benefits into the hands of relatively few foreign rights holders. According to the court, Congress did so in the hope that other

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[6] The importance of the Internet to the economy is a well tread topic in professional literature. See, e.g., John Quelch, Quantifying the Economic Impact of the Internet, HBS Working Knowledge (Aug. 17, 2009), http://hbswk.hbs.edu/item/6268.html (calculating direct economic value of the Internet to the rest of the U.S. economy at $175 billion, employing 1.2 million directly, and amassing $680 billion in "time value").

[7] At the time of this writing, the U.S. population was estimated at 311,576,492. United States Population Clock, U.S. Census, available at http://www.census.gov/main/www/popclock.html (last visited June 17, 2011).

countries might reciprocate, thereby providing an *added* windfall to relatively few American rights holders. Such faulty balancing burdens significantly more speech than necessary and cannot survive under this Court's jurisprudence.

ARGUMENT

I. NEW COLLABORATIVE FORMS OF PRODUCTION PROMISE GREATER ACCESS TO THE PUBLIC DOMAIN.

IMSLP is but one example of a burgeoning movement that uses new technologies to reshape education, culture, and the economy through a new form of production — what one scholar has termed "commons-based peer production." See generally Yochai Benkler, Coase's Penguin, or, Linux and the Nature of the Firm, 112 Yale L.J. 369 (2002). In contrast to the traditional top-down, firm-based production model, commons-based peer production is a form of production in which a decentralized network of individuals coordinate in the development of large-scale projects, usually without a hierarchical structure, and often without any form of monetary compensation. Id. In their spare time, these volunteers have been able to produce incredible resources that might have been unthinkable just a short time ago, rivaling — and sometime besting — the products of competing for-profit ventures. These products are typically offered to the public at no cost. See id.; see also Yochai Benkler, The Wealth of Networks: How Social Production Transforms Markets and Freedom (2006); Timothy Armstrong, Crowdsourcing and Open Access: Collaborative Techniques for Disseminating Legal Materials, 26 Santa Clara Computer & High Tech. L.J. 591, 607–08 (2009). Popular examples of commons-based peer production include Wikipedia (an online encyclopedia), Linux (a computer operating

system), and Project Gutenberg (an online library of Public Domain and freely-licensed books).

According to leading accounts, this new means of production is a result of recent advances in communication technology, most notably the Internet:

> [As of 2005, the Internet connected] close to a billion people around the planet. . . . The fact that this vast pool of human talent, interest, knowledge, and experience now has, as it never had before, access to the basic necessary physical capital necessary to make and communicate cultural materials of all sorts has created a deep transformation in the digitally networked environment, and in the information economy and society. The critical change is that social production based on commons, rather than p[illegible]perty, has become a significant force in the economy.

Yochai Benkler, Common Wisdom: Peer Production of Educational Materials 1–2, The Center for Open and Sustainable Learning (2005), available at http://www.benkler.org/Common_Wisdom.pdf.

The Internet enables connected individuals to build a common project and then release the fruits of their labor to the public for free. IMSLP is a textbook example: volunteer contributors are encouraged to upload Public Domain music scores or provide recordings of themselves performing Public Domain works (with the recordings

released under an open license). IMSLP receives approximately a hundred submissions of Public Domain material per day and makes nearly 100,000 works available in the database. Additionally, volunteers help manage IMSLP's infrastructure through website maintenance, translating text into other languages, and participating in IMSLP's various projects. See IMSLP:Introduction to Contributing, IMSLP, http://imslp.org/wiki/IMSLP:Introduction_to_Contributing (last modified on January 22, 2011).

Although these volunteers are dedicated to the cause of sharing Public Domain compositions, the difficulty of determining which works are in the Public Domain jeopardizes their ability to provide this service. These individuals volunteer their love of music and their commitment to jointly producing an exemplary resource for the benefit of all. While these individuals must always navigate the already formidable and growing uncertainties of copyright law, Section 514 imposes a new, continuous burden on them to re-verify the copyright status of every work *ad infinitum* in order to avoid potentially crushing liability. Such a system turns a blind eye to one of the most radically productive developments in the modern economy, to the detriment of these volunteers and those who rely on their work.

II. UNCERTAINTY IS THE PRIMARY ENEMY OF THE PUBLIC DOMAIN AND SECTION 514 CREATES ENORMOUS UNCERTAINTY.

Uncertainty permeates U.S. copyright law. The complexity and fact intensiveness of copyright law creates immense confusion regarding who can do what with which works. Ultimately, this confusion results in fewer entities collecting, offering, and accessing works that are rightfully in the Public Domain. Consequently, large swaths of culture fall into obscurity and disuse.[8] Section 514 has exacerbated this problem by taking away the only remaining pillar of the Public Domain — that, absent extraordinary circumstances, works in the Public Domain must stay there.

A. IMSLP Case Studies: How copyright uncertainty hurts a Public Domain business.

Because the Public Domain is common property, its rewards are frequently diffuse and limited for individuals, but great for society. As a result, even though mapping, offering, and protecting the Public Domain is a laudable and important enterprise, it is not necessarily profitable enough to offset its inherent exposure to copyright liability. Although IMSLP's traffic is a

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[8] For an example discussion regarding the availability of music scores for a restored work — Prokofiev's Romeo & Juliet — and the costs associated renting before and after restoration, see: List of Composers affected by GATT/TRIPS, IMSLP Forums (December 10, 2006) http://imslpforums.org/viewtopic.php?f=6&t=4958#p25873.

testament to the value of the Public Domain to its users, the financial rewards pale in comparison to the maximum penalty of $150,000 in copyright liability *per work* for each of the 96,000 works it hosts. In business terms, risk is liability multiplied by probability. Under our current copyright regime, liability is immense while the probability of liability is uncertain, but ever increasing. While the value of the Public Domain is undeniable, a businessperson less dedicated to the sanctity of the Public Domain would likely have little interest in such an enterprise.

By way of example, IMSLP receives approximately one hundred Public Domain submissions each day from users. Without even considering Section 514, IMSLP must vet each work as it is submitted, which is no easy task because copyright renewal records are not entirely searchable online. Thus, there is already uncertainty about whether certain post-1923 works are in the Public Domain.[9] Theoretically,

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[9] In the U.S., owners of works published between 1923 and 1963 were required to submit a form to the U.S. Copyright Office renewing copyright twenty-eight years after publication. Although there is general agreement that the majority of works were not renewed, there is still great uncertainty. Officially, only records from 1978 onward are searchable online with the Copyright Office, meaning that each time IMSLP or any other Public Domain business wishes to check the status of a work that at one time required renewal, a representative must go to the U.S. Copyright Office in Washington D.C. to know for certain. See Jon Orwant, U.S. Copyright Renewal Records Available for Download, Inside Google Books, (June 23, 2008, 9:45 AM) http://booksearch.blogspot.com/2008/06/us-copyright-renewal-records-available.html. Although unofficial scans of

IMSLP could look up the printed renewal records in person at the Copyright Office, but the daily volume of new submissions renders impracticable a daily trip from Boston to Washington, D.C.

Instead, other online Public Domain resources simply assume that everything after 1923 is still under copyright. For IMSLP and others who value the Public Domain, this option is unacceptable. Of the 95,967 Public Domain works available on IMSLP, 2,539 of them are post-1923 works. Moreover, this figure almost certainly understates the reality of the problem. Because IMSLP relies on user-submissions, it is likely that users never submit countless works due to copyright status uncertainty. Thus, thousands of works, which are rightfully and lawfully the common property of all Americans, are effectively removed from the Public Domain because of uncertainty and the threat of liability.

Section 514 exacerbates this problem. Public Domain companies must not only vet submissions, but also continually monitor the copyright status of their Public Domain inventory in order to avoid liability. IMSLP's staff of twenty part-time volunteers can verify the status of a handful of works as they are submitted, but constantly and continually re-auditing an inventory of almost *one hundred thousand* works is likely too daunting a task for a predominantly volunteer-run effort.

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renewal records exist, there is no guarantee of accuracy or completeness, nor are they legally authoritative. Id.

B. IMSLP Case Studies: Businesses who wrongfully capitalize on uncertainty.

There are entities that exploit the uncertainty surrounding copyright.[10] For example, IMSLP often encounters music publishers who wrongfully try to remove works from IMSLP.

Recently, the Music Publishers Association of the U.K. ("MPA") sent an entirely untruthful DMCA takedown notice[11] to IMSLP's third-party domain registrar (rather than to IMSLP itself), who subsequently disabled the *entire* site without any notice to IMSLP. Fortunately, this action caused such public outcry among IMSLP supporters that the MPA voluntarily rescinded its takedown notice less than a day later. MPA also requested that IMSLP's registrar restore access to the domain name despite the ten-business day

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[10] Examples include groups of "copyright plaintiffs" conducting "spam litigation" and "mass settlement" campaigns such as the US Copyright Group, Copyright Enforcement Group, and Righthaven. See, e.g., Comprehensive List of Copyright Infringement Lawsuits Filed by Righthaven, LLC, Righthaven Lawsuits (last updated June 19, 2011), http://www.righthavenlawsuits.com/lawsuits.html; Copyright Enforcement Group Announces Extensive Portfolio of 5,500 Titles, RushPR News (May 10, 2010), http://rushprnews.com/2010/05/10/copyright-enforcement-group-announces-extensive-portfolio-of-5500-titles.

[11] The claim alleged that IMSLP violated copyright by offering Rachmaninoff's The Bells, Op. 35, even though the piece was a Public Domain work in the United States under every measure of copyright.

mandatory curfew under the DMCA counternotice procedure. 17 U.S.C. § 512(g)(2). As the Deputy Legal Director at Public Knowledge noted in an official blog post, a less well known website with less legal expertise and popular support than IMSLP may not have been as lucky in these circumstances.[12]

Section 514 provides undue leverage to those who would exploit copyright uncertainty to the detriment of businesses like IMSLP and the public at large. In many ways, Section 514 generates even more legal risk than the DMCA because the latter provides a dispute resolution procedure. See 17 U.S.C. § 512 (g)(2)–(3). The risk of hundreds of thousands to *billions* of dollars in immediate liability under Section 514 is enough to chill most Public Domain-reliant enterprises.

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[12] Sherwin Siy, Sheet Music Goes Down Over Bogus Copyright Claim, Public Knowledge (April 22, 2001, 3:56 PM), http://www.publicknowledge.org/blog/sheet-music-domain-goes-down-over-bogus-copyr ("MPA's trigger-happy notice demonstrates the problems that can arise when you put the power to take down something as broad as a domain in the hands of anyone with an email account and a willingness to send notice . . . . The good news is that IMSLP, after some back-and-forth, is back up and running . . . . The news is less good for a less popular site with less legal or technical sophistication that might suffer the same fate.").

III. THE LOWER COURT UNDERESTIMATED THE POTENTIAL IMPACT OF SECTION 514 ON RELIANCE USERS AND IGNORED THE REALITY OF THE INTERNET.

As against reliance parties, all of 17 U.S.C § 504's copyright infringement remedies are available if copies or phonorecords of a restored work are made after either (i) publication in the Federal Register of notice of intent to enforce copyright or (ii) receipt of notice directly from the owner. 17 U.S.C. § 104A(d)(2). Once notice is received, or published in the Federal Register, a reliance party must immediately cease copying and is granted twelve months solely for the purpose of selling off his or her inventory. 17 U.S.C § 104A(d)(2)(A)(ii)(III)–(B)(ii)(III). In the Digital Age, this provision is wholly unreasonable.

Although the court below characterized the twelve-month window as a "grace period to continue exploiting the work," Golan v. Holder, 609 F.3d 1076, 1093 (10th Cir. 2010), this period exists only so that reliance parties can sell-off copies made prior to the publication of notice in the Federal Register or receipt of direct notice. The Government's Brief in Opposition of Certiorari makes the same mistake by characterizing the period as a "protection[]" providing the ability to "continue to exploit an existing work for an additional year" after receiving notice. Gov't Br. Op. Cert. at 5. However, such a claim confuses the exploitation of a work with the selling of it.

According to the court below, the grace period was part of a "careful balance" that

included allowing "reliance users a sufficient opportunity to recoup their investment." Golan, 609 F.3d at 1088 (quoting favorably the Joint Hearing statements of Eric Smith and Sen. DeConcini, respectively). The lower court's appraisal of Congress's balancing act is yet another instance of copyright logic working for a physical world for which it was designed, but failing in the digital domain. See, e.g., Whitney Harper v. Maverick Recording Co., 131 S. Ct. 590, 590 (2010) (Alito, J. dissenting) (finding a "strong argument" that a particular copyright provision does not apply to certain digital activities because the "provision was adopted in 1988, well before digital music files became available on the Internet" and technology had significantly changed the context in which the provision operates) cert. denied.

Both the Government and the court below suffer under the assumption that reliance parties will necessarily have pre-existing inventories of copies that can be sold off to recoup their investment. This belief is misguided on multiple counts. First, Internet-based companies like IMSLP have no inventory — only the ability to offer and make copies through downloads. Following the receipt of notice to enforce, websites must instantaneously remove specified works from their website in order to comply with Section 514 and avoid copyright liability. IMSLP is not even afforded the opportunity to investigate or dispute the claims after receiving notice. There is no "grace period" whatsoever for IMSLP and with no inventory to sell off, IMSLP is not able to "recoup"

the investment incurred by supplying Public Domain works to the public.

Second, the Register of Copyrights publish notices of intent to enforce "commencing not later than 4 months after the date of restoration for a particular nation and every 4 months thereafter for a period of 2 years." 17 U.S.C. § 104A(e)(1)(B)(i). Accordingly, in order to avoid liability, companies like IMSLP must divert their resources from their meager budgets to constantly monitor restoration dates for particular nations. They must also constantly monitor the Federal Register for up to two years after the restoration date in case a notice is subsequently filed. Even after the two years have lapsed, copyright owners may still serve notice of intent to enforce directly to reliance parties *ad infinitum*.

Third, if notice of intent is served directly, Section 514 provides no window for companies to investigate claims or verify copyright status before incurring liability for failing to remove the disputed work. Businesses are forever under the threat that notices of intent "may be served . . . *at any time* after the date of restoration of the restored copyright" and therefore liability may ensue at any moment. 17 U.S.C. § 104A(e)(2)(A) (emphasis added). Because IMSLP users download more than 150,000 works from the site daily, there is genuine danger that IMSLP cannot act fast enough to comply. Thus, reliance parties must be prepared at all times to immediately pull any and all content upon receipt of any notice, no matter how specious.

The only defense against false actions is that a party who makes a materially untrue statement about a restored work will void all claims as to that restored copyright. 17 U.S.C. § 104(A)(e)(3). This is hardly a fair trade. While IMSLP must instantaneously shut down all downloads the instant notice is received — without the ability to investigate or dispute on the merits — the party who *knowingly* makes a false statement loses only the right to enforce the restored work. The efficacy of this remedy assumes that the party providing notice will always *possess* a right that may be voided. This scheme provides no defense whatsoever against companies like MPA (see supra Section I.1) that capitalize on copyright uncertainty to bolster otherwise baseless claims. Moreover, given the meager budgets of organizations like IMSLP, the costs of litigation are generally prohibitive. Thus, when faced with a copyright claim of dubious merit, Public Domain enterprises have little recourse but to comply with the claim, as they cannot risk the costs that would be incurred if the matter went to trial. In this way, Section 514 places organizations like IMSLP at a significant disadvantage.

IV. THE PUBLIC DOMAIN SERVES AS A SHARED RESOURCE FOR CULTURAL CONSTRUCTION.

Both the Supreme Court and Congress have long recognized that the Constitutional power to create and enforce copyright is not primarily designed to provide a special private benefit:

> Rather, the limited grant is a means by which an important public purpose may be achieved. It is intended to motivate the creative activity of authors and inventors by the provision of a special reward, *and to allow the public access to the products of their genius after the limited period of exclusive control has expired*.

Sony Corp. of America v. Universal City Studios, Inc., 464 U.S. 417, 429 (1984) (emphasis added). There, the Court addressed how interpretations of copyright ought to reflect this central purpose in the face of technological development. Courts should apply similar logic to the changing circumstances of the Public Domain.

Recent scholarship has increasingly challenged the notion that "authors create something from nothing," and instead has recognized that "the very act of authorship in any medium is more akin to translation and recombination than it is to creating Aphrodite from the foam of the sea." Jessica Litman, The Public Domain, 39 Emory L.J. 965, 966 (1990); see Julie Cohen, Creativity and Culture in Copyright Theory, 40 U.C. Davis L. Rev. 1151, 1183 (2007) ("[T]he unknown emerges from interactions with the known via practices of juxtaposition, iteration, dialogue, and experimentation . . . and that cannot be understood as the manipulation of abstract ideas to generate linear progress."); William Fisher, Reconstructing the Fair Use Doctrine, 101 Harv. L. Rev. 1659, 1729 (1988) ("Creativity,

however, is often — perhaps always — a more social phenomenon . . . . Every writer, composer, and filmmaker draws on the work of his predecessors when creating something new, and most are stimulated by the ongoing work of their contemporaries."); Edward Wisniewski, Conceptual Combination: Possibilities and Esthetics, in Creative Thought: an Investigation of Conceptual Structures and Processes 56 (Thomas B. Ward, Steven M. Smith, & Jyotsna Vaid, eds., American Psychological Association 1997) ("[T]he creation of new concepts by combining existing ones is a powerful and common way of *expanding* knowledge." (emphasis added)).

Scholars are even challenging the traditional dichotomy between producers and consumers: "fans of television shows, movies, comic books, and bands themselves participate in the creation of that culture . . . the postmodern individual's response to media images is itself a creative and ultimately political act." Margaret Chon, Postmodern "Progress": Reconsidering the Copyright and Patent Power, 43 DePaul L. Rev. 97, 129–30 (1993). This reconceptualization of society's production of cultural works uniformly militates in favor of a comparable reconceptualization of the Public Domain — not as a "quid pro quo for copyright or as the sphere of insignificant contributions," but as the fundamental and necessary soil for the generation of new arts and sciences. Litman, 39 Emory L.J. at 968. Properly regarded, the Public Domain may be the ideal wellspring because it provides a bevy of pre-existing ideas that may be manipulated

infinitely, without limitation. Thus, the harm resulting from a precedent that allows works to be removed from the Public Domain would derail these newfound models of creative progress.

V. THE PUBLIC DOMAIN IS AN IMPORTANT ALTERNATIVE TO COPYRIGHTED WORKS.

The Public Domain offers unique benefits and deserves at least as much protection as copyright interests. See, e.g., Martin Hoffman, Limitations on the Right of Publicity, 28 Bull. Copyright Soc'y 111, 112 (1980) ("One man's right is another man's restraint, and to set levels of protection in the intellectual property . . . field[] only in response to the needs of one group . . . distorts the function of these laws . . . ."). The copyright and licensing structure in the U.S. is remarkably complex and in many ways works against the study and performance of musical works. Simply put, there is no substitute for the unlimited, unimpeded ability to utilize works in the Public Domain. From the origins of intellectual property in this country, it has been recognized that there is a danger in overrepresentation of copyright interests at the expense of the Public Domain. Even to this day, it is well understood that the Public Domain must be secure and set off from the domain of monopoly, which naturally and perpetually seeks to expand.

A. Licensed compositions are no substitute for the Public Domain.

Copyright presents a unique difficulty for individuals who wish to make use of a particular

composition. Certain famous pieces are mandatory in the repertoire of any professional musician or scholar, yet no compulsory license grants the right to reproduce a work as a musical score. See Melville and David Nimmer, 2-8 Nimmer on Copyright § 8.04 (2011); see also, M. Witmark & Sons v. Standard Music Roll Co., 213 F. 532, 534 (D.N.J. 1914) (stating that the statutory mechanical license did not extend to printed or written works), aff'd, 221 F. 376 (3d Cir. 1915). Likewise, while three institutions license most public performance rights in the United States, see Meredith Corp. v. SESAC, LLC, 2011 U.S. Dist. LEXIS 24517, 3–4 (S.D.N.Y. Mar. 8, 2011), no aggregator exists for music scores. The lack of either compulsory or one-stop licensing forces music score users to license each composition individually, a process that hampers access and expression in several ways.

First, copyright owners are difficult to identify. The 1976 Copyright Act removed the need for formalities in copyright registration, creating a class of orphan works that are copyrighted, but for which it is difficult to determine the identity or location of the creator. U.S. Register of Copyrights, Report on Orphan Works 1 (2006), available at http://www.copyright.gov/orphan/orphan-report-full.pdf. The orphan works problem affects all copyrighted material, but further frustrates licensing attempts where neither copyright aggregators nor compulsory licenses exist to minimize search costs. Even if the original author of a work is known, the current owner may be

entirely different. Lawrence Lessig, Free Culture 223 (2004). Where the owner cannot be found to license a work, the music is not likely to be used due to fear of reprisal. Id.

Even when a copyright owner may be located, negotiating individual licensing agreements may stifle expression. For example, copyright owners may refuse to license music because of a distaste for the new subject matter, out of a whim, or a desire to extract maximum revenues from their superior bargaining positions. Jeremy Beck, Music Composition, Sound Recordings and Digital Sampling in the 21st Century: A Legislative and Legal Framework to Balance Competing Interests, 13 UCLA Ent. L. Rev. 1, 19 (2005).

The Public Domain bypasses these risks and thereby encourages vital artistic expression. Studying American orchestras, operas, and classical music radio stations, one scholar found that "[t]he most performed, recorded and broadcast pieces of serious music are public domain works." Charles Cronin, Virtual Music Scores, Copyright and the Promotion of a Marginalized Technology, 28 Colum. J.L. & Arts 1, 30 (2005). IMSLP provides access to the scores necessary to perform those works, but relies on a vibrant and secure Public Domain to do so. Establishing a precedent whereby works may be removed from the Public Domain will not only be destructive to IMSLP and similar businesses, but also it will harm those who rely on them.

B. The Founders regarded the Public Domain with equal or greater esteem than copyright itself.

The Founders recognized that an intellectual property regime requires a delicate balance between copyright interests and the Public Domain. Moreover, because intellectual property monopolies caused great concern, they chose a balance that weighed heavily in favor of the latter. For example, Thomas Jefferson opined that "the benefit even of limited monopolies is too doubtful to be opposed to that of their general suppression." William F. Patry, 1 Copyright Law and Practice 23 (1994). Even though James Madison generally supported copyright, see The Federalist No. 43, at 309 (Benjamin Wright ed., 1961) (stating that "the utility of [the federal government's copyright] power will scarcely be questioned"), he admitted that such monopolies "are classified among the greatest nuisances in Government." Patry, supra at 23. While the debates of the drafting committees were secret, the Progress Clause further reflects the careful balance of copyright — protection of authors juxtaposed against the inherent dangers of monopoly — in only granting Congress the power to protect certain types of intellectual property for a "limited" time. U.S. Const. Art. I, § 8, Cl. 8.

In contrast to these concerns, Thomas Jefferson exalted the free cultural commons. See Thomas Jefferson, Letter to Isaac McPherson (August 13, 1813) reprinted in The Writings of Thomas Jefferson 13:333–35 (Andrew Lipscomb,

Ed., 1905) available at http://press-pubs.uchicago.edu/founders/documents/a1_8_8s12.html (an idea, once divulged, "forces itself into the possession of every one"). Jefferson found the basis of the Public Domain in the concept that "ideas should freely spread from one to another over the globe, for the moral and mutual instruction of man, and improvement of his condition . . . ." Id. Questioning the value of endorsing intellectual monopolies, Jefferson noted that just "as he who lights his taper at mine, receives light without darkening me," so too do ideas give without taking. Id.

Furthermore, early use of copyright was uncommon, which assuaged the Founders' early fears. Few authors took advantage of the colonial statutes. Patry, supra at 21. Even after the ratification of the Constitution and the passage of the Copyright Act of 1790, copyright remained rare. Only about five percent of copyrightable works were registered; ninety-five percent fell immediately into the Public Domain. Lessig, supra at 133. Even registered works would remain copyrighted for only a short time, passing into the Public Domain after a maximum of twenty-eight years. Id. Formalities created the background assumption that works were free of copyright unless otherwise specified. Thus, at copyright's birth in this nation, it was the Public Domain that reigned, not copyright. However, copyright has expanded radically ever since, ultimately creating the opposite assumption — that works are copyrighted rather than free — without

establishing a commensurate protection for the once vibrant Public Domain.

C. The Public Domain must be set off from copyright with bright lines.

Clearly delineating the boundaries of the Public Domain benefits the public, businesses, and rights holders alike. Justice Kennedy implicitly stated this proposition in 2002:

> The monopoly is a property right; and like any property right, its boundaries should be clear. This clarity is essential to promote progress, because it enables efficient investment in innovation. A patent holder should know what he owns, and the public should know what he does not.

Festo Corp., 535 U.S. at 730–31. This Court has long recognized that the Public Domain should be clearly set off from the domain of copyright. See, e.g., Dastar Corp. v. Twentieth Century Fox Film Corp., 539 U.S. 23, 33 (2003) ("The right to copy, and to copy without attribution, once copyright has expired, like the 'right to make [an article whose patent has expired] — including the right to make it in precisely the shape it carried when patented — passes to the public.'" (quoting Sears, Roebuck & Co. v. Stiffel Co., 376 U.S. 225, 230 (1964)). Even then-Solicitor General Theodore Olson noted during oral argument in Eldred v. Ashcroft — years after the passage of the URAA — the existence of a "bright line" protecting

"[s]omething that has already gone into the public domain, which other individuals or companies or entities may then have acquired an interest in, or rights to, or be involved in disseminating." Trans. of Oral Arg. 44, 537 U.S. 186 (Oct. 9, 2002). Such a bright line is critical to a properly functioning Public Domain.

Judicial protection of the Public Domain is warranted. Parties creating as well as using intellectual property will suffer from the long-term status-uncertainty that a decision upholding copyright restoration would establish. See, e.g., Elizabeth Townsend Gard, Copyright Law v. Trade Policy: Understanding the Golan Battle Within the Tenth Circuit, 34 Colum. J.L. & Arts 131, 134 (2011) ("[T]his kind of amendment to the Copyright Act brings instability and uncertainty to the whole system. If no boundaries exist, the law itself becomes meaningless."); Brian Lee Pelanda, Copyright's "Traditional Contours" and "Bedrock Principles": Golan's Potential to Secure First Amendment Protection over the Public Domain, 31 Whittier L. Rev. 547, 586 (2010) ("The Supreme Court's invalidation of section 104A's removal of works from the Public Domain on First Amendment grounds would create certainty with respect to the previously assumed permanent free accessibility of ideas and works that enter the public domain.").

IMSLP and its community of volunteers rely on a strong and clear Public Domain in order to build a collection of common cultural resources. Piercing the protective barrier surrounding the

Public Domain would not only jeopardize IMSLP and other valuable organizations that rely on the Public Domain — it would also undermine years of intellectual property jurisprudence.

D. IMSLP Case Studies: Technological advances and new possibilities to tap the Public Domain.

In their Amicus Brief the Conductors' Guild admirably conveyed the cost structure comparison between Public Domain works and those under copyright. See Am. Br. Conductors' Guild in Support of Cert. at 4–5 (noting that copyrighted works are "an enormous financial burden on small orchestras" and that per-performance rental fees for copyrighted works are "normally three to four times *the purchase price* for sheet music for a work in the public domain.") (emphasis added). This fact underscores how new technologies can harness the Public Domain: in the analog world even Public Domain works bear significant cost, but in the digital world sheet music of copyright-free works can be obtained at no cost at all.

Recently, IMSLP launched an application for the iPad that allows IMSLP users to access sheet music on their mobile devices.[13] Rather than requiring orchestras to pay a costly and sometimes prohibitive per-performance fees for copyrighted works, or having them pay a slightly smaller sum

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[13] For the IMSLP press release, see http://imslpjournal.org/padrucci-the-ipad-app-for-imslp.

to purchase Public Domain works, an eighty-person symphony orchestra could have instantaneous, unlimited, and absolutely free access to all of IMSLP's 96,000 music scores via a computer application. Imagine a symphony never again having to pay for sheet music ever again. This is the potential of the Public Domain in the Digital Era.

Such technological progress in the Public Domain is especially timely considering the rash of bankruptcy filings that has plagued the classical music world in recent years.[14] IMSLP believes that this kind of progress, the kind that could be a boon to our faltering classical music environment,

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[14] For information regarding the financial troubles of American classical music groups, see: Tim Smith, Baltimore Opera bankruptcy filing shows $1.2 million debt, Baltimore Sun (December 10, 2008) http://www.baltimoresun.com/entertainment/ bal-te.to.opera10dec10,0,5146491.story; Honolulu Symphony Files for Bankruptcy, KITV.com (June 19, 2011), http://www.kitv.com/r/21546833/detail.html; Magdalena Sharpe, NM Symphony Files for Chapter 7 Bankruptcy, KOB.com (June 19, 2011), http://www.kob.com/article/stories/S2074495.shtml; Verena Drobnik, Board of troubled NYC Opera meets to talk future, Associated Press (May 19, 2011), http://abcnews.go.com/Entertainment/wireStory?id=13637998; Daniel J. Wakin & Floyd Norris, Philadelphia Orchestra Makes Bankruptcy Move, New York Times (April 17, 2011), http://www.nytimes.com/2011/04/18/arts/music/philadelphia-orchestra-moves-toward-bankruptcy-filing.html; Melinda Johnson, Syracuse Symphony will file for bankruptcy, board announces, Post Standard (April 5, 2011), http://www.syracuse.com/news/index.ssf/2011/04/post_411.html.

is every bit the kind envisioned by the Progress Clause and is every bit as deserving of the government's protection as are the interests of copyright holders.

VI. WITH THE FOREGOING CONSIDERATIONS IN MIND, SECTION 514 CANNOT PASS INTERMEDIATE SCRUTINY.

The court below shortchanged the value of the Public Domain and grossly understated the impact of Section 514. First, the "harm" addressed by Congress through restoration was not an actionable harm at the time the URAA was passed and should not be countenanced by this Court. Second, Congress has no power to legislate for foreign governments and thus its objective of obtaining reciprocity should not qualify as a valid government interest. Third, even if it were a valid interest, Section 514 burdens significantly more speech than is necessary to accomplish its goals.

A. U.S. rights holders were not entitled to revenues in foreign nations when Section 514 was passed and therefore these sums should not qualify as "losses" or "real" harm.

The court below endorsed this Court's ruling in Turner that a "statute must be directed at a real, and not merely conjectural, harm" to withstand intermediate scrutiny. Golan, 609 F.3d at 1084. The court reasoned that it "must examine whether Section 514 was 'designed to address a real harm, and whether [it] will alleviate [that

harm] in a material way.'" Id. (alteration in original) (quoting Turner Broad. Sys., Inc. v. FCC, 520 U.S. 180, 195 (1997)). Citing legislative materials, the appellate court determined that the "harm" addressed by Section 514 was the "billions of dollars . . . lost each year because foreign countries were not providing protections to American works that were in the public domain abroad." Id. at 1086.

First, no harm existed at the time of Section 514's passage. U.S. rights holders could not have *lost* billions of dollars through a lack of foreign copyright protection in the same sense that rights holders do not "lose" billions of dollars after their works enter the Public Domain upon the ordinary expiration of the copyright term domestically. Such revenues simply are not theirs to lose. Second, the solution is meaningless. Foreign governments had no obligation to protect the U.S. works in question within their borders before Section 514 was passed. Even if Section 514 is enforced, U.S. rights holders' entitlement to foreign revenues remains contingent on the laws of each foreign nation. While Congress and rights holders may prefer that American copyrights generate more revenue abroad, there can be no "harm" where foreign nations had no obligation to provide those revenues in the first place. No harm existed at the time of URAA's passage and none exists now.

B. Congress targeted the speech of over 300 million Americans, which did not create the "same evils" sought to be remedied.

"[T]he essence of narrow tailoring" is when a regulation "focuses on the source of the evils the [government] seeks to eliminate . . . without at the same time banning or significantly restricting a substantial quantity of speech that does not create the *same* evils." Golan, 609 F.3d at 1091 (emphasis added) (quoting Ward v. Rock Against Racism, 491 U.S. 781, 799 (1989)). Here, as explained supra at 30, the "evil" sought to be remedied was the lack of *foreign* enforcement of *domestic* copyrights. To remedy this evil, Congress significantly restricted domestic speech and fundamentally altered the settled contours of copyright law in the hopes of encouraging foreign reciprocity. In a circuitous and non-binding attempt to coax more protection out of foreign governments, Congress's actions here silence the speech produced by lax *domestic* enforcement of *foreign* copyrights. While Congress is entitled to deference in its policy judgment, the target of its regulation, strictly speaking, did not create the "same evil" that Congress sought to remedy. Thus, Section 514 should fail under this test.

C. Section 514 curtails the speech of over 300 million Americans who share in the Public Domain.

Intermediate scrutiny requires that the means embodied in Section 514 not "burden substantially more speech than necessary" to further an important government interest. See Turner, 520 U.S. at 189; accord Canady v. Bossier Parish Sch. Bd., 240 F.3d 437, 443 (5th Cir. 2001) ("[T]he incidental restrictions on First Amendment activities are no more than is necessary to facilitate that interest"); Palmer ex rel. Palmer v. Waxahachie Indep. Sch. Dist., 579 F.3d 502, 508 (5th Cir. 2009) (a policy will pass constitutional scrutiny if, *inter alia*, "the incidental restrictions on First Amendment activities are no more than is necessary to facilitate that interest") cert. denied, 130 S. Ct. 1055 (2010).

The court below erred in ending its analysis with the determination that the burdens imposed on reliance parties were "congruent with the benefits Section 514 affords American copyright holders." Golan, 609 F.3d at 1091. The court considered the impact of Section 514 only on reliance parties without acknowledging the broader impact of restoration. In order to be a reliance party, one must have been making use of the work prior to the restoration its copyright. See Troll Co. v. Uneeda Doll Co., 483 F.3d 150, 160 (2d Cir. 2007) (holding that a manufacturer who did not claim to be disposing of dolls before the enactment of URAA was not entitled to reliance party status). Otherwise, later use constitutes

ordinary infringement subject to regular copyright liability rules. While reliance parties are allowed time to sell off restored works in their inventories, others are simply barred from using the work. Thus, the court wrongly limited the scope of its inquiry to Section 514's effect on reliance parties when in fact the provision places an even higher burden on the speech interests of every current and potential U.S. user of the Public Domain. As a limited but concrete example, the court erred in considering only the burden on reliance parties like IMSLP when, at a minimum, it should have considered the 1.1 million speakers who visit IMSLP each month to make use of its Public Domain offerings.

Because the Public Domain is the common property of every American, each work taken out of the Public Domain disadvantages every citizen while benefiting only the individual copyright holder. For every one foreign rights holder who is benefited through copyright restoration, over 300 million Americans' individual rights to that speech are burdened. For every foreign rights holder who receives an extra dollar or for every American rights holder who, *arguendo*, enjoys the windfall of a more favorable global copyright regime, over 300 million Americans have lost their individual and collective speech interest in the common property of the Public Domain.

D. The availability of a less restrictive alternative *must* be relevant under this Court's jurisprudence.

Even assuming that Congress's objectives were valid, the court below wrongly dismissed the relevance of a less restrictive means of accomplishing those objectives. See Golan, 609 F.3d at 1092 ("[T]he 'less restrictive-alternative analysis has never been a part of the inquiry into the validity of content-neutral regulations on speech.'" (quoting Turner, 520 U.S. at 217)). This appraisal is misleading for several reasons. First, the proposition is mere dicta. See Turner, 520 U.S. at 217 (prefacing the disutility of such analysis by first recognizing that it was "doubtful . . . that a narrower but still practicable" alternative could be drafted in that particular case).

Second, the Turner Court utilized this proposition to counter the appellants' demand that the Court "sift through all the available or imagined alternative means of regulating" in order to determine whether the Government's solution was "the *least* intrusive means." Id. at 182 (citations and alterations omitted); see also id. at 217–18 ("[W]e will not invalidate the preferred remedial scheme because *some* alternative solution is *marginally* less intrusive on a speaker's First Amendment rights." (emphasis added)). Indeed, Turner quotes this proposition from Ward 491 U.S. at 797, which also utilized the proposition to counter a demand that the Court require the *least* restrictive alternative. Id. Ultimately, this

proposition originates from Regan v. Time, 468 U.S. 641, 656–57 (1984), which was decided *before* this Court established the requirement that the government's chosen means not be "substantially broader than necessary" was established. See Ward, 491 U.S. at 800.

Although a less restrictive alternative might not have been part of the analysis in 1984 under Regan, it certainly became relevant after Ward. The only way to know whether the government's chosen means are "substantially broader than necessary" is to compare them against a less restrictive means, if one exists. See Ward, 491 U.S. at 807 (noting that without being able to consider less restrictive alternatives Justice Blackmun was "at a loss to understand how a court can ascertain whether the government has adopted a regulation that burdens substantially more speech than is necessary.") (Blackmun, J. dissenting).

E. Section 514 leaves no alternative channels for communicating restored works.

Under Ward, a content-neutral regulation may restrict time, place, and manner of protected speech provided, *inter alia*, that it "leave[s] open ample alternative channels of communication." 491 U.S. at 791 (quoting Clark v. Community for Creative Non-Violence, 468 U.S. 288, 293 (1984)). Because of the extraordinary difficulties in licensing copyrighted works, see supra Section IV.1, users wishing to make use of restored works

are hindered and possibly prevented from making such use. Because each composition is a unique piece of creative speech, users who would otherwise use a restored work are accorded no alternative channels for their specific expression. Cf. Yochai Benkler, Through the Looking Glass: Alice and the Constitutional Foundations of the Public Domain, Duke Conference on the Public Domain 173, 175 (2003) available at http://www.law.duke.edu/journals/journaltoc?journal=lcp&toc=lcptoc66winterspring2003.htm ("[C]opyright imposes substantial risks of harm to democracy and individual autonomy.").

A rule survives scrutiny when it does not ban "any particular . . . type of expression." Ward, 491 U.S. at 802. Examples of permissible bans include volume limits, id., forbidding sleep in some areas in a park while permitting others, Clark, 468 U.S. at 295, and banning picketing single residences while allowing picket marches through the surrounding neighborhood, Frisby v. Schultz, 487 U.S. 474, 483 (1988). Each ban on one mode of expression clearly leaves open other equally accessible if only slightly less potent avenues. Some courts have gone further to hold that the ability to picket in locations other than that of the picketers' choice does not qualify as leaving open ample alternative channels of communication. Phelps-Roper v. Nixon, 545 F.3d 685, 693–94 (2009) ("[P]laintiffs wish to express an opinion about an individual to that individual and others, and they wish to direct their message at that individual . . . . Therefore, allowing them to picket in the town square or even the next block does not

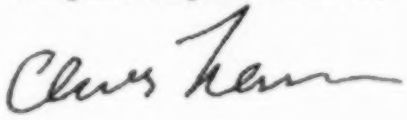
satisfy the second Ward requirement . . . ." (quoting Kirkeby v. Furness, 92 F.3d 655, 662 (8th Cir. 1996))). Where offering the opportunity to make the same message in a different location is insufficient, certainly the alternative of being forced to pay for the ability to express a particular message where otherwise it was free or to substitute one message for another — essentially censoring one chosen message altogether — must also be insufficient.

Musicians, publishers, and academics wishing to use Shostakovich's 5th Symphony or Prokofiev's Romeo & Juliet are now precluded from freely doing so. Where licensing may be untenable, as it often is, see supra Section IV.1, individuals wishing to make those forms of speech are blocked entirely. Public Domain pieces by other composers are not a viable substitute for a particular piece of music — aesthetically, philosophically, or functionally. Both Beethoven and Stravinsky composed beautiful and essential works, but one may not pass as an alternative channel of expression for the other. Section 514's restriction on users fails not only to provide ample alternative channels, but also any guaranteed alternatives whatsoever.

CONCLUSION

For the foregoing reasons, Amicus respectfully requests that the Court reverse the judgment below and remand the case with instructions to enter judgment for petitioners.

Respectfully submitted,



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CERTIFICATE OF WORD COUNT

I, CHARLES NESSON, declare as follows:

I am the attorney for *Amicus Curiae* in this matter. On June 19, 2011, I performed a word count of the above-enclosed brief, which revealed a total of 8,173 words.

I declare under penalty of perjury that the foregoing is true and correct.

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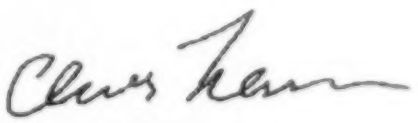

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AMICUS CURIAE BRIEF

No. 10-545

In The Supreme Court of the United States

LAWRENCE GOLAN, ESTATE OF RICHARD KAPP, S.A. PUBLISHING CO., INC. d/b/a ESS.A.Y. RECORDINGS, SYMPHONY OF THE CANYONS, RON HALL d/b/a FESTIVAL FILMS, and JOHN MCDONOUGH d/b/a TIMELESS VIDEO ALTERNATIVES INTERNATIONAL,

Petitioners,

v.

ERIC H. HOLDER, JR., in his Official Capacity as Attorney General of the United States, and MARIA PALLANTE, in her Official Capacity as Register of Copyrights, Copyright Office of the United States,

Respondents.

On A Writ Of Certiorari To The United States Court Of Appeals For The Tenth Circuit

BRIEF OF *AMICI CURIAE* PUBLIC DOMAIN INTERESTS IN SUPPORT OF PETITIONERS

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TABLE OF CONTENTS

Page

TABLE OF AUTHORITIES. iii

INTEREST OF THE *AMICI CURIAE* 1

SUMMARY OF ARGUMENT 3

ARGUMENT 6

I. A Stable Public Domain Is Essential to American Cultural, Commercial, and Democratic Interests 6

A. The Public Domain Is Essential to Creative Expression 8

B. A Stable Public Domain Fuels Commercial Investment and Innovation 18

C. The Public Domain Is Fundamental to Public Participation in Democracy, Culture, and Civic Institutions 22

II. The Public Domain Is a Fundamental and Historical Feature of American Intellectual Property Law 26

III. By Removing Works from the Public Domain, Section 514 Limits Public Speech Rights and Creates Disincentives to Creativity and Innovation 28

A. Section 514 Impairs Public Speech Rights 29

B. Section 514 Creates Disincentives to Creativity and Innovation 32

1. Section 514 Increases the "Orphan Works" Problem 33

TABLE OF CONTENTS – Continued

Page

2. Section 514 Creates Uncertainty About the Public Domain's Permanence 35

CONCLUSION 41

APPENDIX: *AMICI CURIAE* ..... App. 1

TABLE OF AUTHORITIES

Page

CASES

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Page

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Page

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Page

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INTEREST OF *AMICI CURIAE*[1]

This brief *amici curiae* is filed on behalf of the following organizations and individuals, who represent a broad range of non-profit and commercial interests, including musical artists, filmmakers, visual artists, authors, performers, technology and communications companies, archives, educators, and academics. *Amici*'s shared interest in this case is in communicating to this Court the fundamental importance of a vibrant, stable, and clearly delineated public domain to American creativity, innovation, and civic participation. *Amici* are described more fully in the Appendix.

Michael Chabon, Shepard Fairey, Steve James, Jonathan Allen Lethem, Barbara Kopple, Megan Prelinger, Gordon Quinn, and **Rosanna Warren** are American authors, visual artists, and filmmakers.

Patricia Aufderheide, James Boyle, Lewis Hyde, Peter Jaszi, Jennifer Jenkins, and **Pamela Samuelson** are American educators and academic authors who study film and media arts, writing, and copyright law.

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[1] Letters from all parties consenting to the filing of this brief are on file with the Clerk of this Court. No counsel for a party authored this brief in whole or in part, and no person or entity other than *amici curiae*, their members, or their counsel, made a monetary contribution to its preparation or submission.

The **American Music Center, Cabin Creek Films, Chorus America, College Art Association, Film Independent, Fractured Atlas**, the **Future of Music Coalition**, the **International Documentary Association, Kartemquin Films**, the **National Alliance for Musical Theatre**, the **National Alliance for Media Arts and Culture**, and the **National Performance Network** are organizations of creators and companies that collectively represent the interests of hundreds of thousands of individual visual and musical artists, documentary filmmakers, and performers.

The **Center for the Study of the Public Domain at Duke Law School** is the first university center in the world devoted to the study of the contributions of the public domain to speech, culture, science, and innovation.

The **Computer & Communications Industry Association** is a non-profit membership organization focused on the technology and communications industries.

The **Prelinger Archives** is a collection and commercial licensor of films produced by and for hundreds of United States corporations, non-profit organizations, trade associations, community and interest groups, and educational institutions. The **Prelinger Library** is an unincorporated private collection containing approximately 30,000 books, 700 periodical titles, and 25,000 items of print ephemera, the majority of which are in the public domain.

Amici depend both on the rights copyright grants creators, and on its limitations. Filmmakers, authors, musicians, visual artists, performers, and innovative companies all rely upon copyright's economic protections to ensure a return on their investment in making and distributing creative works. Equally, all rely upon public domain materials in order to, variously, seed new creative works, invest in new business models, and fulfill their educational missions. And *amici* exemplify only some of the myriad organizations, businesses, and individuals – collectively, the public, itself – that rely on the material freely available in the public domain.

SUMMARY OF ARGUMENT

Public domain materials are essential to American creativity, innovation, and democratic participation. The public domain's range is enormous, comprising everything from philosophical texts to scientific discoveries; from sublime works of literature, music, and art, to diaries of mundane daily activity; and from high art to the commercial ad copy of bygone days. As the realm of material that can be used without permission or fee, "free" speech in its truest form, it is nothing less than the "basis for our art, our science, and our self-understanding." James Boyle, *The Public Domain: Enclosing the Commons of the Mind* 39 (2008).

Works in the public domain represent the public benefit of copyright's essential structure as set forth in the Constitution: economic incentives to creators in the form of exclusive rights for limited times, in return for creative works that eventually enter the public domain. *See, e.g.*, U.S. Const. art. I, § 8, cl. 8; *Harper & Row, Publishers, Inc. v. Nation Enters.*, 471 U.S. 539, 546 (1985). The importance of works in the public domain goes well beyond their being inexpensive to purchase, use, or perform, though that is an important factor in access to knowledge. The public, including the artists, educators, and innovators represented among *amici*, depends on the public domain as the primary resource that fuels new cycles of speech. Indeed, public domain materials are essential to creative production. Moreover, a stable, clearly demarcated public domain supports investment in innovation and commercial enterprise. And the unrestricted availability of cultural materials, along with the right to use those materials freely for individual inquiry, debate, and expression, is fundamental to democratic participation.

In implementing Section 514 of the Uruguay Round Agreements Act, Pub. L. No. 103-465, 108 Stat. 4809 (1994) ("URAA"), Congress took the unprecedented step of removing, in one fell swoop, many tens of thousands – and likely, millions[2] – of works

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[2] *See* Marybeth Peters, *The Year in Review: Accomplishments and Objectives of the U.S. Copyright Office*, 7 Fordham

(Continued on following page)

from the public domain. In doing so, it upended vested public speech rights and public reliance on the availability of public domain materials. The questions in this case are thus of critical public and constitutional importance.

Section 514 frustrates copyright's public purpose. The public once enjoyed the right to freely distribute, draw from, recast, or revise any of the millions of works covered by Section 514; now, however, control over those works has been handed back to private owners. Section 514's limited protections for reliance parties fail to address the serious harm that removing materials from the public domain causes *amici* and indeed *all* members of the public who previously had enjoyed the ability to freely use now-restored works.

Indeed, Section 514 impairs the free expression rights guaranteed to the public by the First Amendment, U.S. Const. amend. I, and calls into question the Constitution's guarantee that copyrighted works pass into public ownership after "limited Times." U.S. Const. art. I, § 8, cl. 8. Further, Congress's decision to confer copyright on the foreign works covered by Section 514 raises serious questions about its willingness to remove other categories of works from the public domain in the future. If the Constitution permits Congress to reach into the public domain and

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Intell. Prop. Media & Ent. L.J. 25, 31 (1996) (stating that affected works "probably number in the millions").

expropriate from it, then fear of retroactive liability for using materials presently freely available – but subject to Congress's whim – is likely to stymie creativity and investment.

Amici therefore respectfully request that this Court recognize the vital importance of the public domain to American creativity, commerce, and civic participation, and that it protect the public's vested reliance and speech interests in the cultural commons by reversing the decision below and making clear that works bequeathed to the public domain must remain there.

ARGUMENT

I. A Stable Public Domain Is Essential to American Cultural, Commercial, and Democratic Interests

A robust and stable public domain is fundamental to copyright's essential purpose: to encourage the making and dissemination of creative works. As Justice Story explained, copyright will "promote the progress of science and the useful arts, and admit the people at large, after a short interval, to the full possession and enjoyment of all writings and inventions without restraint." Joseph Story, *Commentaries on the Constitution of the United States* § 502, at 402-03 (1987). Once "fully possessed" by the people, works in the public domain increase the wellspring that supplies the raw material for new

artworks, literature, music, and inventions. *See* Jessica Litman, *The Public Domain*, 39 Emory L.J. 965, 966 (1990). Together with copyright's economic incentives to create new works, the public domain fulfills the Constitution's goal that Congress "promote Progress" through the production and dissemination of creativity and learning. As such, the public domain has served as a central underpinning of American speech, commerce, and democratic participation for more than two centuries.

Whether Congress may remove materials from the public domain is a question of central importance to the creative, educational, and innovation interests *amici* represent. Closing portions of the "place we quarry the building blocks of our culture," Boyle, *The Public Domain: Enclosing the Commons of the Mind*, at 41, by removing material from the public domain, undermines at least three of the most important public interests advanced by copyright law. First, a vibrant, reliable public domain is essential to the production of creative expression. Second, a stable, clearly demarcated public domain supports investment in innovation and commercial enterprise. Third, the unrestricted availability of cultural materials, along with the right to use those materials freely for individual inquiry, debate, and expression, is fundamental to democratic participation.

A. The Public Domain Is Essential to Creative Expression

The public domain is the cultural commons from which artists draw the raw materials for new creative works. Justice Story's 1845 description of this practice is still fresh today: "[i]n truth, in literature, in science and in art, there are, and can be, few, if any, things, which in an abstract sense, are strictly new and original throughout. Every book in literature, science and art, borrows, and must necessarily borrow, and use much which was well known and used before." *Emerson v. Davies*, 8 F. Cas. 615, 619 (C.C.D. Mass. 1845). If creators were not able to build on what came before – for example, if Picasso could not refer to El Greco;[3] if James Joyce could not borrow freely from Homer;[4] and if Laurents and Sondheim could not turn *Romeo and Juliet* (much of which Shakespeare borrowed from others)[5] into *West Side Story*[6] – then copyright would cease to stimulate

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[3] *See* Susan Sinclair, *Viewing El Greco*, 27 Art History 353, 462 (2004).

[4] *See* Harry Levin, *James Joyce: A Critical Introduction* 133 (2d ed. 1960).

[5] Arthur Brooke's 1562 play, *The Tragicall Historye of Romeus and Juliet*, is considered to be William Shakespeare's chief source for his famous play *Romeo and Juliet*; he may also have used the basic storyline from William Painer's 1582 poem, *Palace of Pleasure*. *See* E. Pearlman, *Shakespeare at Work:* Romeo and Juliet, 24 English Literary Renaissance 315, 323-24 (1994).

[6] *See* Ryan J. Merrill, *Star Cross'd Lovers in Song and Verse: An Interdisciplinary Engagement with* Romeo and Juliet

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expression and would instead impede it. As such, "the public domain is the law's primary safeguard of the raw material that makes authorship possible." Litman, *The Public Domain*, at 967. This is true for every form of art – from music to film, from books to visual art – and for every genre.

In an essay for *Harper's Magazine*, *amicus* Jonathan Lethem (borrowing from Siva Vaidhyanathan) relates a classic musical example. When asked about the genesis of his song, "Country Blues," blues great Muddy Waters invoked traditional field songs; his mentor, Son House; Robert Johnson's work recording a song with the same traditional tune; and his own experience being "mistreated by a girl."[7] By using a tune from the cultural commons – the public domain – Waters' song evokes a series of historical and cultural touchpoints that communicate meaning within the blues genre. Similarly, the young Bob Dylan, "had a great absorptive ability"; about two-thirds of his early melodies were traditional Anglo- and African-American tunes. Dylan located this process squarely in "the folk music tradition. You use what's been handed down." Lewis Hyde, *Common as Air: Revolution, Art, and Ownership* 198-99 (2010) ("*Common*

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and West Side Story, 26 Interdisciplinary Humanities 101, 103 (2009).

[7] Jonathan Lethem, *The Ecstasy of Influence: A Plagiarism*, Harper's Magazine (Feb. 2007) (quoting Siva Vaidhyanathan, *Copyrights and Copywrongs: The Rise of Intellectual Property and How It Threatens Creativity* 120-26 (2001)).

as Air") (quoting Robert Hilburn, *Rock's Enigmatic Poet Opens a Long-Private Door*, Los Angeles Times, Apr. 4, 2004, at 10).

Examples abound of borrowing by the Western world's greatest composers. For his masterwork, *The Ring of the Nibelung*, Wagner used Old Icelandic, Germanic, and other sources to "construct[] his own myth, picking, choosing and adapting to his own taste." Árni Björnsson, *Wagner and the Volsungs: Icelandic Sources of Der Ring des Nibelungen* 276-79 (2003). In the score for *Don Giovanni*, Mozart used peasant dances to evoke the class barriers the troublesome Don insisted on traversing. *See* Wye Jamison Allanbrook, *Rhythmic Gesture in Mozart: Le Nozze di Figaro & Don Giovanni* 68-70 (1983). More than a third of Beethoven's compositions reworked other music. Olufunmilayo B. Arewa, *From J.C. Bach to Hip Hop: Musical Borrowing, Copyright and Cultural Context*, 84 N.C. L. Rev. 547, 604 (2006) ("*Musical Borrowing*"). Schubert and Brahms both borrowed from Beethoven in turn. *Id.*, at 605-06. Igor Stravinsky – a composer whose works Section 514 restored to copyright – copied seventeenth-century French court dances for the music in the critically acclaimed ballet, *Agon*. *See* Charles M. Joseph, *Stravinsky and Balanchine: A Journey of Invention* 229-30 (2002). And Shostakovich, another composer whose works are subject to restoration, borrowed from Rossini's opera, *William Tell*, for his *Symphony No. 15*. Arewa, *Musical Borrowing*, at 607. Indeed, drawing from the public domain to create

new expression is ubiquitous in music. *See generally id.* at 550.[8]

Similarly, writers have drawn raw material from the cultural commons for centuries. In addition to drawing from earlier works for *Romeo and Juliet*, Shakespeare borrowed from anonymous tales and ballads, Ovid, Seneca, Chaucer, Spenser, Thomas Kyd, Giovanni Boccacio, and dozens of others.[9] Important twentieth-century works, including T.S. Eliot's *The Waste Land*, Ezra Pound's *Cantos*, and James Joyce's *Ulysses*, among others, directly incorporate materials from other authors. John Carlin, *Culture Vultures: Artistic Appropriation and Intellectual Property Law*, 13 Colum.-VLA J.L. & Arts 103, 106 (1988) ("*Culture Vultures*"). This tradition continues as an integral feature of creative writing. As a recent example, *amicus* Michael Chabon borrowed from many public domain sources for his novel *Summerland*, including Norse and American Indian Trickster mythology, the Greek story of Prometheus, and American folktales about Paul Bunyan, John Henry, Mike Fink, and Pecos Bill.

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[8] Arewa's article catalogs a remarkable amount of copying by dozens of composers, working in many genres over hundreds of years. Arewa, *Musical Borrowing*, 601-07.

[9] *Narrative and Dramatic Sources of all Shakespeare's Works*, THE BARD OF AVON: SHAKESPEARE IN STRATFORD-UPON-AVON, http://www.shakespeare-w.com/english/shakespeare/source.html (last visited June 7, 2011).

Moreover, the public domain houses far more than well-known myths, stories, and music – it also contains obscure but culturally valuable works, such as diaries, letters, and the ephemera of everyday creative production. These works can be highly valuable for new creative works, despite their modest private value. For example, *amicus* Megan Prelinger's book, *Another Science Fiction: Advertising the Space Race 1957-62*, won critical acclaim for its analysis of Space Age American culture, as shown through advertising copy contemporary to the time and now in the public domain.[10] It can also be especially difficult to find owners and obtain licenses for such works, whose relatively low private value makes them disproportionately likely to be "orphaned," *infra* Section III(B)(1). This makes such works' public domain status vital to creators' ability to reuse them.

Examples from the newer medium of film are equally abundant. Myriad films appropriate public domain works and recast them into the immersive motion picture medium. Disney's many films based on folk and fairy tales – *Snow White and the Seven Dwarfs*, *Cinderella*, *Mulan*, and *The Little Mermaid*, to name just a few – make prominent examples. But it is the repeat players – the oft-rendered classics – that fully demonstrate the vitality of public domain materials in studio films. Stories from the Bible have been interpreted in films ranging from major studio productions (*e.g.*, *The Ten Commandments* and *The*

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[10] *See* Dennis Overbye, *Reaching for the Stars When Space Was a Thrill*, N.Y. Times, Mar. 8, 2010, at D1.

Passion of the Christ) to children's cartoons featuring anthropomorphic vegetables (the *VeggieTales* series). *Jane Eyre* has been recast into film at least eighteen times.[11] Jane Austen's books have been made into at least twenty-five films or television productions.[12] And Shakespeare's plays alone have served as the basis for more than 1000 films.[13]

Public domain materials are equally important to documentary filmmaking. For example, traditional music performed by local musicians plays a key role in *amicus* Barbara Kopple's documentary *Harlan County, USA*, which depicts Kentucky coal miners' struggles to obtain safe working conditions and fair labor practices. The traditional songs featured in the film evoke a specific time and place, and the community's culture and history. Likewise, *amicus* Kartemquin Films' movie, *The Chicago Maternity Center Story*, relies heavily on public domain footage of the Chicago Maternity Center's earlier years to

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[11] *Jane Eyre* has also been made into multiple ballets, musicals, and operas; one symphony; multiple radio shows and television series; and a graphic novel. *See* Dennis King & Gene Triplett, *Much-Filmed 'Jane Eyre' Gets Brisk, Unconventional Retelling*, PROJECTIONS (Apr. 6, 2011), http://blog.wimgo.com/projections/2011/04/06/movie-review-much-filmed-%E2%80%98jane-eyre%E2%80%99-gets-brisk-unconventional-retelling/.

[12] Sue Parrill, *Jane Austen on Film and Television: A Critical Study of the Adaptations* 187-201 (2002).

[13] *Shakespeare: An International Database of Shakespeare on Film, Television, and Radio*, BRITISH UNIVERSITIES FILM & VIDEO COUNCIL, http://bufvc.ac.uk/shakespeare/ (last visited June 8, 2011).

document the role the Center played in women's lives during nearly eighty years of providing safe home obstetric care. In these and similar cases, historical and cultural artifacts held in the public domain are crucial to documenting events and portraying cultural stories.

Visual artists have used existing images "throughout the history of art. Claude Monet, Henri Matisse, and Pablo Picasso borrowed images from their predecessors," as have many others. Villes R. Inde, *Art in the Courtroom* 3-4 (1998). Picasso's Cubist collages and Marcel Duchamp's "readymades" were followed by Jasper Johns' use of public domain imagery such as flags and maps. *See* Carlin, *Culture Vultures*, at 108-11. Andy Warhol's famous visual appropriations of commercial objects remain influential today, *see id.*, as does the tradition of borrowing. Like Picasso and Warhol before them, contemporary street artists, such as Banksy, Blek le Rat, and *amicus* Shepard Fairey, borrow and refer to existing images.[14] And as with music, visual artists evoke meaning by borrowing public domain materials. In one famous provocation, Marcel Duchamp added a moustache, goatee, and a punning title[15] to a reproduction

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[14] Mia R. Benenate, *From The Salon To The Streets: A Cultural Conversation Played Out On Public Property*, ARTNOWMAG, http://www.artnowmag.com/Magazine/World/2011/Mar/World_Mar0111.html (last visited June 8, 2011).

[15] The title is "L.H.O.O.Q." which is pronounced "Look" in English, and, when the letters are read individually in French, produces a bawdy comment.

of the *Mona Lisa* to comment on authority in art. Dalia Judovitz & Marcel Duchamp, *Drawing on Art: Duchamp and Company* 227 (2010).

Drawing from the cultural commons for new creativity is not only universal to artists; it is necessary for building new expression. *See* Litman, *The Public Domain*, at 966 ("the very act of authorship in any medium is more akin to translation and recombination than it is to creating Aphrodite from the foam of the sea"); *see also* William M. Landes & Richard A. Posner, *The Economic Structure of Intellectual Property Law* 66-67 (2003) ("[c]reating a new expressive work typically involves borrowing or building on material from a prior body of works, as well as adding original expression to it"). While licensing works under copyright for new uses is also an important feature of creativity – and *amici* and their members both license works for their own use and license works to others – it is no substitute for a robust cultural commons. For any creator wishing to license a new work, there is first the question of gaining permission and then the question of cost. Some copyright owners refuse to license works for uses they disapprove;[16] statements with which they

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[16] Fair use may provide protection in some such cases, though it may be at a cost. *See, e.g., Lennon v. Premise Media Corp.*, 556 F. Supp. 2d 310 (S.D.N.Y. 2008) (case brought by Yoko Ono against documentary producers who criticized the song *Imagine* in a film); *Maxtone-Graham v. Burtchaell*, 803 F.2d 1253 (2d Cir. 1986) (case brought by "pro-choice" author against

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disagree;[17] or any uses, at all.[18] And as an unintended consequence of longer copyright terms and the abolishment of formalities, some copyright holders cannot be found or no longer exist, leaving behind copyrighted "orphans" that cannot be cleared at any cost.[19]

If obtaining their permission is possible, copyright holders may yet demand license fees that are far beyond the budgets of most creators. This hold-up problem is pervasive in the worlds of, for example, music;[20] poetry;[21] and documentary film.[22] For

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a Catholic priest). In each case, the defendants prevailed on fair use theories, but at the cost of litigation.

[17] For example, the author of a book on children's art was denied permission to use a photograph of Picasso watching his daughter draw because the copyright owner disagreed with the author's thesis. Hyde, *Common as Air*, at 235.

[18] Robert Frost's publisher never allows his poems to be set to music. *Hyde*, at 536.

[19] Register of Copyrights, *Report on Orphan Works*, at 3 (Jan. 2006). *See also infra* Section III(B)(1).

[20] *See* Candace G. Hines, Note, *Black Musical Traditions and Copyright Law: Historical Tensions*, 10 Mich. J. Race & L. 463, 464 (2005).

[21] Poetry and New Media Working Group and Harriet Monroe Poetry Institute, *Poetry and New Media: A Users' Guide* 15 (2009).

[22] *See* Patricia Aufderheide & Peter Jaszi, *Untold Stories: Creative Consequences of the Rights Clearance Culture for Documentary Filmmakers* 7-9 (2004) *available at* www.acsil.org/resources/rights-clearances-1/nps240.tmp.pdf ("*Untold Stories*"); Ted Striphas & Kembrew McLeod, *Strategic Improprieties: Cultural Studies, the Everyday, and the Politics of Intellectual Properties*, 20 Cultural Studies 119, 119-20 (2006) ("*Strategic Improprieties*").

filmmakers on shoestring budgets or in need of extensive footage essential to document the film's subject, licensing fees can be the difference between a documentary getting made and finding distribution and a story remaining untold.[23] For example, Kartemquin was initially stymied in making *The Chicago Maternity Center Story* by the unaffordable license fees demanded for essential footage. Kartemquin's discovery that the footage was in the public domain allowed the film to be made, and the Center's story to be told. Similarly, *Harlan County, USA* was made on a shoestring budget; in addition to the documentary and aesthetic value of the traditional music Kopple used, its low cost helped make it possible for Kopple to complete the film.

Beyond the benefit they provide to individual users, the unencumbered works in the public domain can support creativity and the dissemination of knowledge on a massive scale. Because there is no royalty owed and no need to assess the merits of individual uses under fair use or idea/expression jurisprudence, using works from the public domain carries few transaction costs. Thus, even those with few resources or small expected audiences – the amateur, the specialist, the low-budget beginner – can seed new expression with public domain works.

This is a benefit enriched by the low-cost distribution made possible by digital platforms. Because

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[23] Aufderheide & Jaszi, *Untold Stories*, at 7-9.

digital reproduction and distribution can be far less expensive than older distribution forms, public domain materials can be distributed, reproduced, and recombined on a vast scale. For example, by 2009, *amicus* Prelinger Archives' public domain films hosted at the Internet Archive had been downloaded at least twelve million times. And because of their public domain status, films downloaded from the Archives have been copied in whole and in part, rehosted on other online video services, and used for a great many – at a conservative estimate, tens of thousands – derivative works. To highlight just one example, one of the Archives' most celebrated films, *A Trip Down Market Street Before the Fire*, which was filmed a few months before the 1906 San Francisco earthquake, has been downloaded from the Internet Archive approximately 80,000 times. Many versions of the film, derived from the Archives' high-quality copy, exist on YouTube, where they have been viewed over three million times. Since it found new life in the public domain, *A Trip Down Market Street Before the Fire* has received critical acclaim and, in 2010, the Librarian of Congress placed it on the National Film Registry.

B. A Stable Public Domain Fuels Commercial Investment and Innovation

Since its original charter in the Statute of Anne, the public domain has benefited commerce and supported commercial investment. Today, a robust, reliable public domain supports numerous business

models and innovative practices. Public domain works are unencumbered, which lowers the transaction costs required to use or disseminate them, and encourages investment.

Many of the creative works described above in Section I(A) derive commercial value from the public domain materials incorporated in them. For works that recast public domain source material, like the Disney movie *Cinderella*, public domain components can represent a core feature of the work's commercial value. For commercial documentaries, novels, and other creative efforts that incorporate public domain materials within broader works, the availability of public domain works lowers the transaction costs that accompany licensing by obviating the need to negotiate deals for some materials, and lowers the overall cost of royalty payments. For small-budget films, royalty-free public domain material can make distribution possible where clearance costs would otherwise prevent the film's release. *See supra* note 22.

Public domain materials also form the basis for a wide array of commercial distribution models. Major publishing houses distribute public domain imprints – for example, Penguin Classics, Norton Critical Editions, and Dover Thrift – as do smaller specialty publishers, such as Higginson Book Company and Tri-Horn International. Petitioners Ron Hall and John McDonough provide but two examples of businesses built on public domain films. *Amicus* Prelinger Archives makes its public domain collections available for commercial licensing through Getty Images.

Moreover, numerous emergent online video companies have harvested Prelinger Archives' public domain films from the Internet Archive and used them as a base for their own offerings. Films from the Archives are, for instance, offered by video-on-demand services and sold on DVD through a number of retailers,[24] illustrating the positive network effects generated by unencumbered material.

By dramatically lowering transaction costs and providing a high level of certainty with regard to legal liability, public domain materials also support innovation and investment in digital distribution platforms and other communications technologies. Public domain works do not require negotiation or payments to right-holders, nor do they require systems for responding to takedown requests, *see* 17 U.S.C. § 512, or otherwise resolving copyright disputes. This supports investment in large-scale digital hosting and distribution programs for public domain content. For example, Google Inc. has been able to digitize and make available at least two million public domain books[25] – a significant public benefit – while works

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[24] *E.g.* AMAZON.COM, http://www.amazon.com/Duck-Cover-Plus-Atomic-Films/dp/B000M049NM (last visited June 16, 2011) (offering video compilations such as "Duck and Cover Plus – Atomic Age Films Volume 1," which incorporates Prelinger Archives' material).

[25] *See Competition and Commerce in Digital Books: Hearing Before the H. Comm. on the Judiciary*, 110th Cong. 3 (2009) (testimony of David Drummond, Senior Vice President of Corporate Development and Chief Legal Officer of Google Inc.).

under copyright remain the subject of litigation. *Authors Guild v. Google Inc.*, 2011 U.S. Dist. LEXIS 29126 (S.D.N.Y. 2011).

Similarly, Yahoo!'s Flickr has invested in the Flickr Commons service, which hosts public domain photographs, covering over 350 topics, from over fifty institutions.[26] In turn, Flickr Commons individual members have used the photos to generate new works for personal and commercial use.[27] As such, Flickr Commons provides an additional example of the positive network effects supported by common ownership.

All of these commercial actors invest time and money with the expectation that public domain materials will remain free of copyright encumbrances. By raising the specter of future encumbrances on materials that presently are freely available, Section 514 calls into question commercial investment in public domain materials.

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[26] *See Flickr: The Commons: Your Opportunity to Contribute to Describing the World's Public Photo Collections*, FLICKR, http://www.flickr.com/commons?GXHC_gx_session_id_=6afecb2055a3c52c (last visited June 16, 2011).

[27] For example, Flickr user "pennylrichardsca," creates and sells purses made from acrylic paints and public domain Flickr images, and others create personal artwork. *See, e.g., Re-mix! Mashing Up the Commons Your Way*, FLICKR, http://www.flickr.com/groups/flickrcommons/discuss/72157612988593338/ (last visited June 16, 2011).

C. The Public Domain Is Fundamental to Public Participation in Democracy, Culture, and Civic Institutions

An informed public is central to a functioning democratic system. As James Madison observed, "A popular Government, without popular information, or the means of acquiring it, is but a Prologue to a Farce or a Tragedy; or, perhaps both. Knowledge will forever govern ignorance: And a people who mean to be their own Governors, must arm themselves with the power which knowledge gives." Letter from James Madison to W.T. Barry (Aug. 4, 1822), *in* 9 *The Writings of James Madison* 103 (1910).

A citizen thus armed with knowledge must then be able to draw upon it for his own expression. A robust public domain – replete with facts, ideas, and scientific knowledge, and with philosophical, legal, and cultural works, all available in common to the public – is thus a basic prerequisite for a healthy democracy.[28] Indeed, "the right to receive ideas is a necessary predicate to the *recipient's* meaningful exercise of his own rights of speech, press, and political freedom." *Bd. of Educ. v. Pico*, 457 U.S. 853, 867 (1982) (emphasis in original).

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[28] *See generally* Pamela Samuelson, *Enriching Discourse on Public Domains*, 55 Duke L.J. 783 (2006) (discussing scholarly viewpoints on the public domain's importance to, among other things, deliberative democracy).

The public domain, as a repository of information freely available for unfettered access and use, safeguards the citizenry's First Amendment right to receive information, and its concordant rights to express opinion. Documents crucial to any citizen's understanding of American democracy – the Federalist papers, court decisions, federal statutes, the Declaration of Independence, and the Constitution itself, to name a few – reside in the public domain and belong to us all. Moreover, making democracy's source documents freely available, for the specific purpose of supporting an informed citizenry, is a longstanding American practice. In contrast to Britain, where the Stationers' Company long controlled the publication of all books, from the early days of the United States, important historical texts were freely available in inexpensive editions. Hyde, *Common as Air*, at 57. Benjamin Franklin claimed that this practice "made the common tradesmen and farmers as intelligent as most gentlemen from other countries." *Id.*

With the advent of Internet-based digital archives, these basic materials of citizenship are freely and widely available, to be studied, debated, and used to inform political participation. Digital archives give educators and individual citizens access to an unprecedented amount of public domain materials for teaching, learning, and discussion. These materials include the basic texts of our democracy, but also encompass music, art, and film. For example, *amicus* Prelinger Archives' advertising, educational, and

industrial films are widely used in elementary, secondary, college, and university teaching[29] and by homeschooling families who may be unable to purchase commercial educational materials;[30] are shown regularly as part of museum exhibits;[31] and are played on radio and television. The films are used to recall, describe, and contextualize key events in U.S. history, to characterize historical periods and situations, to communicate the richness of regional American cultures, and to acquaint younger generations

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[29] For example, the 1957 documentary film, *In the Suburbs*, is used in a wide range of university classes, including classes in anthropology, history, communications, and theatre. *See, e.g.*, http://www.butler.edu/media/687722/hs226-02deno.pdf; http://sananet.org/syll/Heiman2.pdf; http://adcrit-tamucc.blogspot.com/2009/07/redbook-in-suburbs-1957.html. Prelinger films are also heavily used as sources of editable material for film, television, media and communications, as in, for example, classes offered at the University of Wisconsin, Milwaukee; the University of Texas, Arlington; and George Mason University. *See, e.g.*, http://film420ppa.wordpress.com/syllabus/; www.uta.edu/ra/real/syllabi/12287_6122__2358_syllabus.docx; and http://historymatters.gmu.edu/inse/film/filmonline.html.

[30] *See, e.g.*, Serfronya Wallace, *Get Free Educational Videos for Homeschool Using the Internet Archive*, ASSOCIATEDCONTENT FROM YAHOO! (May 10, 2010), http://www.AssociatedContent.com/article/2978336/get_free_educational_videos_for_homeschool.html?cat=4.

[31] Prelinger Archives' public domain footage has appeared in over 150 universities, museums, theaters, and film festivals worldwide, including the Smithsonian Institution's National Museum of American History, the Museum of Modern Art (New York), the Science Museum of Minnesota, San Francisco's Exploratorium, the National Building Museum, and the Wexner Center for the Arts.

with the experiences of their parents, grandparents, and great-grandparents.[32] As such, they communicate American culture and values to new generations and support democratic participation.

More directly, the rights to receive and freely use public domain information support individual citizens' rights to express their own political opinions. *Amicus* Prelinger Archives' public domain films are also used frequently by grassroots and independent producers of political advertising, as well as by speakers who incorporate the films into videos advancing viewpoints across the political spectrum.[33] Combined with the Internet's "vast platform" for speech, the public domain's role in nourishing democratic participation is greater than ever before. *Reno v. Am. Civil Liberties Union*, 521 U.S. 844, 853 (1997).

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[32] A Walt Disney short film commissioned by the U.S. government during World War II, for example, promotes tax paying as an essential wartime patriotic duty. *The Spirit of '43* (Walt Disney 1943), INTERNET ARCHIVE, http://www.archive.org/details/TheSpiritOf43_56 (last visited June 6, 2011). Moreover, *In the Suburbs*, *see supra* note 29, extols 1950s suburbanites as citizens and consumers.

[33] To name just two uses of Prelinger Archives' material from different political viewpoints, Dave Ridley augmented a Ron Paul speech with archival footage, *If Spending Were [sic] Solution, There'd Be No Problem*, YOUTUBE, http://www.youtube.com/watch?v=NmK2lHX7T0U (last visited June 6, 2011), and a documentary filmmaker included archival footage in *Golden Rule: The Investment Theory of Politics* (2009), featuring Noam Chomsky.

II. The Public Domain Is a Fundamental and Historical Feature of American Intellectual Property Law

The Framers, wary of monopolies, and cognizant of the high democratic value of access to knowledge,[34] chose to encourage creativity and innovation via a balanced system of incentives. Limited economic rights incentivize creation by providing a return on creative investments and then expire, bequeathing the works to the public domain. U.S. Const. art. I, § 8, cl. 8.

While Congress has leeway to organize the intellectual property system, the Constitution places limits on what it may do. To safeguard the public's expression rights, copyright protection does not extend to ideas or facts, which instead belong to the public domain. *See, e.g., Eldred v. Ashcroft*, 537 U.S. 186, 187 (2003); *Feist Publ'ns, Inc. v. Rural Tel. Servs. Co., Inc.*, 499 U.S. 340, 344-45 (1991); *Mazer v. Stein*, 347 U.S. 201, 206 note 5 (1954). Similarly, the First Amendment requires that certain "fair uses" of protected works be permitted. *Eldred*, 537 U.S. at 190; *Harper & Row*, 471 U.S. at 549; 17 U.S.C. § 107. And, the Constitution permits the grant of copyrights

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[34] *See* Letter from James Madison to Thomas Jefferson (Oct. 17, 1788), *in* 5 *The Writings of James Madison* 274-75 (1904); *see also* 13 *The Writings of Thomas Jefferson* 326, 334 (1907); George Washington, Address from George Washington to Congress, 20-21 (Jan. 8, 1790), *in* Thorvald Solberg, *Copyright in Congress, 1789-1904*, 115 (1905).

only for "limited Times." U.S. Const. art. I, § 8, cl. 8. The "limited Times" provision guarantees that copyrights will eventually expire, and that the public will ultimately receive full rights to use previously copyrighted works.

Importantly, the public must not only be permitted to make certain uses of works during the copyright term, but it must also be free to make unfettered use of works after they enter the public domain. This Court has stated clearly in the patent context that "Congress may not authorize the issuance of patents whose effects are to remove existent knowledge from the public domain, or to restrict free access to materials already available." *Graham v. John Deere Co.*, 383 U.S. 1, 5-6 (1966); *see also Bonito Boats, Inc. v. Thunder Craft Boats, Inc.*, 489 U.S. 141, 151 (1989). The Court has thus repeatedly rejected attempts by former right-holders to recapture material that has entered the public domain. *See Dastar Corp. v. Twentieth Century Fox Film Corp.*, 539 U.S. 23, 33 (2003) ("The right to copy, and to copy without attribution, once a copyright has expired, . . . 'passes to the public.'") (citations omitted). *See also TrafFix Devices, Inc. v. Mktg. Displays, Inc.*, 532 U.S. 23, 29 (2001).

Traditionally, Congress has also safeguarded the public domain. In fact, when updating the copyright laws, it has often made protections for the public domain explicit. The 1976 Copyright Act states that copyright protection does not extend to "any work that goes into the public domain" prior to the Act

taking effect. Pub. L. No. 94-553, 90 Stat. 2541. *See also, e.g.*, Act to Amend and Consolidate the Acts Respecting Copyright, ch. 320, 35 Stat. 1075, 1077 (1909); Act to Amend the Several Acts Respecting Copy Rights, ch. 16, 4 Stat. 436, 439 (1831). Indeed, the act that implemented the Berne Convention expressly protected the public domain. Berne Convention Implementation Act, Pub. L. No. 100-568, § 12, 102 Stat. 2853, 2860 (the BCIA "does not provide copyright protection for any work that is in the public domain in the United States").

III. By Removing Works from the Public Domain, Section 514 Limits Public Speech Rights and Creates Disincentives to Creativity and Innovation

By upending "the long-standing practice of refusing to resurrect works from the public domain," 4 David Nimmer, *Nimmer on Copyright* section 18.06[C][1] (2010), Congress also upended the public's settled expectations that it enjoys "full possession and enjoyment . . . without restraint" of all public domain materials. Story, J., *Commentaries on the Constitution of the United States* at 402-03; *see also Dastar*, 539 U.S. at 33-34 (citing the "federal right to copy and use" public domain materials). Section 514 thus "depart[s] from two centuries of constitutional jurisprudence," *Nimmer on Copyright*, at section 18.06[C][2][b], and "contravene[s] a bedrock principle of copyright law that works in the public domain remain in the public domain." *Golan v. Gonzales*, 501 F.3d 1179, 1192 (10th Cir. 2007). As such, Section 514

both limits existing public speech rights and creates disincentives to future investment in public domain materials.

A. Section 514 Impairs Public Speech Rights

In departing from the longstanding tradition of protecting the public domain by withdrawing a vast swathe of works from it, Congress trampled on the public's speech rights. Restored works, once "free as the air to common use," *Int'l News Serv. v. Associated Press*, 248 U.S. 215, 250 (1918) (Brandeis, J., dissenting), are now closed off and removed from the cultural commons, extinguishing the public's prior right to make free use of them.

This heavily burdens speech. For instance, among the millions of works no longer available for unfettered expressive uses are books by C.S. Lewis, Virginia Woolf, H.G. Wells, Maxim Gorky, Vladimir Nabokov, and Alexander Solzhenitsyn; music by Prokofiev, Stravinsky, and Shostakovich; films by Federico Fellini, Alfred Hitchcock and Fritz Lang; and visual art by M.C. Escher and Pablo Picasso. *See* Pet. Cert. at 3, 22; Br. of Internet Archive as *Amicus Curiae* at 20-21. Each of these artists' oeuvres contains works of great artistic, cultural, or political value to the public. Prior to Section 514's passage, these valuable works could, without question, be copied, recast into new forms, freely distributed, and freely performed, by anyone, in any manner. Now,

many of them are again encumbered by copyright, either usable on certain terms only or altogether unavailable, impairing activities this Court has identified as examples of clearly protected speech. *See, e.g.*, *Ward v. Rock Against Racism*, 491 U.S. 781, 790 (1989) (musical performance); *Vance v. Universal Amusement Co.*, 445 U.S. 308, 315 (1980) (motion pictures); *Bantam Books, Inc. v. Sullivan*, 372 U.S. 58, 64-67 (1963) (books). As such, Section 514 harms core speech rights.

But a listing of famous works barely scratches the surface of the public's loss. As the Prelinger Archives' experience shows, the cultural value of overlooked works – the obscure, the previously lost, and the ephemeral – becomes apparent when they enter the public domain and become freely available. Such works can be rehabilitated, recast, and redistributed in the millions when made "free as the air to common use," and this is increasingly likely with the growth of inexpensive digital reproduction and distribution techniques. But when they are encumbered by copyright, new life for these works is much less likely. While famous works may grow costly when pulled from the public domain, overlooked, obscure works – by far the greater in number – may simply disappear altogether. Where *A Trip Down Market Street Before the Fire*, *see supra* Section I(A), could find new acclaim and offer new meaning to the public by virtue of its public domain status, restored works cannot. While all works, in theory, may be discovered, licensed, and make their ways into new expressions,

the difficulty of locating right-holders and negotiating licenses makes this unlikely for the vast majority of restored works.

Further, fair use and the idea/expression dichotomy, while important safeguards to speech, *see Eldred*, 537 U.S. at 220, are not by themselves sufficient to safeguard the public's speech rights. The government asserts that "[t]he quantity of speech affected by Section 514 of the URAA is relatively small" due to these protections. Opp. Br. at 18. It is mistaken. Fair use, and the use of facts, ideas, and other information not covered by copyright are, indeed, all important to creative practice and innovation, and all provide needed breathing space for expression while copyright is in force. Nonetheless, these safeguards are limited in scope and effect, and cannot substitute for the right to use entire expressive works in the public domain. Fair use is available only for certain purposes and is subject to other limitations, *see* 17 U.S.C. § 107; it is also perceived to be less certain than using freely available public domain works. *See supra* note 16. The ability to draw freely on ideas and facts is important, but leaves the expressive aspects of a work unavailable. *See* 17 U.S.C. § 102.

Materials in the cultural commons, by contrast, are available unencumbered. Creators and performers are free to draw on all of the *expression* of these works, for any purpose, without constraint. This is the main fuel for copyright's "engine of free expression." *Harper & Row*, 471 U.S. at 558.

B. Section 514 Creates Disincentives to Creativity and Innovation

Amici and others invest scarce resources of time and money in locating works and editing, restoring, or otherwise preparing them for preservation, distribution, or use in a derivative work. Especially for those on shoestring budgets – documentary filmmakers, independent musicians, educators, non-profits – and those who archive, organize, or distribute large numbers of works, the expectation that these works will remain in the public domain is vital to the willingness and ability to invest.

Prior to Section 514's passing, the constitutional, statutory, and tradition-based safeguards that have long protected the public domain seemed reliable. But in adopting restoration for foreign works, Congress signaled that it was not bound by these safeguards, and hinted at the possibility that it could remove additional categories of works from the public domain in the future. Further, Section 514's limited protections for "reliance parties" who were making use of affected works at the time of restoration, *see* 17 U.S.C. § 104A(d)(2), are woefully inadequate to support confidence in a stable public domain. While "reliance" parties receive some limited protections, *see id.*, only makers of derivative works can expect to enjoy the continuing right to distribute restored works, 17 U.S.C. § 104A(d)(3)(A), and then only at an unpredictable cost. *Id.*

1. Section 514 Increases the "Orphan Works" Problem

Indeed, at a stroke, Section 514 also greatly exacerbated the existing problem of "orphan works" – those copyrighted works for which the owner cannot be found. Because many foreign works were never registered in the United States, no registration or renewal records exist to connect the works with the owners of the restored copyrights.[35] And given that the works covered by Section 514 are those foreign works that entered the public domain years ago, while the formalities were still in effect, a search for the heirs of long-dead creators is likely to be both costly and fruitless. As counsel for *amicus* College Art Association explained in a letter to the Copyright Office, Section 514:

> [in] one fell swoop, [placed] hundreds of thousands, if not millions, of works that were once in the public domain [under] the full protection of United States Copyright. The vast majority of foreign works were never registered, so registrations and renewals cannot be found to identify the rights owners, particularly if they are not famous. . . . In the vast majority of cases, identifying, finding and clearing rights is realistically impossible. This restoration to the full protection of

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[35] Letter from Jeffrey P. Cunard, Counsel, College Art Association, to Jule L. Sigall, U.S. Copyright Office (Mar. 25, 2005), at 6-7, *available at* http://www.collegeart.org/pdf/caa_orphan_letter.pdf (last visited June 7, 2011).

> United States copyright law has largely occurred without any commensurate benefit to the American public because most of these works are not being disseminated unless the rights owner is identifiable and can be found. . . .

Cunard Letter, note 35, *supra*.

The letter goes on to cite numerous examples of the stymieing effect this has had on artists and art historical scholars. *Id.* CAA members have been unable to find owners for, among many other examples: thousands of Latin American photographs; images of ancient African art; slides of art objects in rare periodicals dating from the 1960s and 1970s; and a photograph of a 12th century Japanese drawing that itself has been lost.[36]

The experience of CAA's constituents is likely indicative of the unhappy fate of many restored works. Costly searches and uncertain downside risk seriously limit the ability of independent artists to use orphaned works; large-scale archival and distribution services are also unlikely to be able to absorb the costs.[37] Where the previously obscure, but freely available, *A Trip Down Market Street Before the Fire*, *see supra* Section I(A), could find new acclaim and offer new meaning to the public by virtue of its public

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[36] *See id.*

[37] *See, e.g.*, *supra* note 19, *Report on Orphan Works*, at 23-34 (discussing obstacles faced by, among others, documentary filmmakers, libraries, and Google).

domain status, restored works cannot. Nor can they freely be incorporated into new expressions. As such, Section 514 significantly diminishes the expression available to the public, seriously burdening speech rights.

2. Section 514 Creates Uncertainty About the Public Domain's Permanence

The uncertainty around copyright ownership and potential liability caused by Section 514 creates a strong risk of chilling investment and cultural production. Further, if Congress may restore copyright to public domain works at any time, possibly giving rise to retroactive copyright liability, then investors and creators are likely to avoid materials that might be affected in the future. This Court has recognized the importance of clearly marking the boundaries of intellectual property rights. *See Fogerty v. Fantasy, Inc.*, 510 U.S. 517, 527 (1994) ("Because copyright law ultimately serves the purpose of enriching the general public through access to creative works, it is peculiarly important that the boundaries of copyright law be demarcated as clearly as possible."); *Festo Corp. v. Shoketsu Kinzoku Kogyo Kabushiki Co., Ltd.*, 535 U.S. 722, 731 (2002) ("A patent holder should know what he owns, and the public should know what he does not.").

For example, investment in innovative tools and services that serve to make informational goods widely available – like Google Books, Flickr

Commons, or the Prelinger Archives and Library – ultimately benefit the public. Yet these types of investments are particularly vulnerable to uncertainty about the stability of the public domain. For services that work with large libraries of works, keeping transaction costs low is necessary for the library to maintain value. If a service provider is forced to make complex determinations about the copyright status of each element in the library, transaction costs can quickly swamp the library's value, chilling investment.

Similarly, Section 514 calls into question the investments of time, effort, and capital necessary for producing new creative works based on public domain material. While Section 514 includes remedies limitations for reliance parties who created derivative works before it took effect, *see* 17 U.S.C. § 104A(d)(3)(A), it has no protections for later users of those works or for other works. More broadly, by dissolving the previously clear boundary between works under copyright and works in the cultural commons, Congress created uncertainty about what costs might arise in the future if materials, presently freely available, are pulled from the public domain and become subject to license fees. Especially for nonprofits and independent artists, whose capacity for

additional costs is low, such uncertainty can chill production.[38]

The uncertainty created by Congress's willingness to implement Section 514 also creates a risk that investors and creators will give short shrift to culturally valuable materials that presently reside in the public domain. For example, the government's view is that Congress may restore to copyright materials that entered the public domain because their owners did not choose to comply with the formalities. Opp. Br. at 12. If this view prevails, then one set of works Congress could consider removing from the public domain is the set of works by United States authors created prior to the 1976 Copyright Act, that entered the public domain through lack of registration or a copyright owner's decision not to renew the copyright. As Petitioners point out, Section 514 creates inequality between foreign authors, whose copyrights it restores, and United States authors who did not observe the formalities, whose works remain in the public domain. Pet. Cert. at 30, note 9. If Congress may restore copyright in such works, then its ability to have done so for foreign copyright owners creates uncertainty about whether similarly situated public domain works by U.S. owners will remain freely available.

If investors and creators shy away from reworking and disseminating these works, the public will

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[38] *See* Aufderheide & Jaszi, *Untold Stories*, at 7-9; Striphas & McLeod, *Strategic Improprieties*, at 119-20.

suffer a great loss. A brief review of the registration and renewal data for the years prior to 1976 shows that an overwhelming majority of copyrighted works entered the public domain because creators did not seek extended copyright protection. *See* Register of the Library of Congress, Register's Report, *in* 2 *Studies on Copyright*, at 1251 (June 1960) (noting that "less than 15 percent of all registered copyrights are being renewed at the present time"). For example, nearly 90% of the works up for renewal in 1947 were not renewed by their owners.[39] In 1957, copyright owners failed to renew 87% of works up for renewal; in 1959, the number was 84%. As such, the vast majority of pre-1976 works now comprise a valuable resource in the cultural commons.

But if Congress can remove works from the public domain so long as they have not entered it at the end of the longest copyright term for which they *might* have been eligible, then the public – including *amici* and their constituents – can no longer rely on the public domain status of these millions of United States works. These works are of special concern to the public, as many are likely to have modest private value, and yet may have high social value. *See* Landes & Posner, *The Economic Structure of Intellectual Property Law* 408. Significant public benefits flow from new users' ability to draw freely from these

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[39] Barbara Ringer, Study No. 31: Renewal of Copyright, *in* 1 *Studies on Copyright* at 618, Tbl. 2 (June 1960).

materials, and raising the cost of use is likely to limit investment in their adaptation and dissemination. If renewal rates are any indication, however, the public cannot rely on restored copyrights to incentivize investment by once-and-future copyright owners. *See id.*, at 238-40 (pointing to non-renewals as evidence of the non-renewed copyrights' low private value to the copyright owners).

Second, if Congress can skirt its constitutional limits in the interest of international harmonization and trade, *see Golan v. Holder*, 609 F.3d 1076, 1087-88 (10th Cir. 2010), then further categories of public domain materials may eventually be called into question. With Section 514's passage, Congress already restored protection for some works whose copyright had expired. *See* Pet. Cert. at 22 (noting that Section 514 covers materials in the public domain because their copyrights expired for lack of renewal). Future international proposals could contravene subject matter requirements or again challenge the Constitution's requirement that copyright exist only for "limited Times."[40] U.S. Const. art. I, § 8, cl. 8.

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[40] As an example of one ongoing international discussion, the World Intellectual Property Association is presently drafting a treaty to protect "cultural expressions," including stories, epics, legends, poetry, riddles, songs, dances, plays, ceremonies, rituals, games, and material expressions of art. Presently, the draft treaty contains no requirements of originality or fixation, and its protections apply retroactively and survive in perpetuity. WIPO Draft Articles, IGC 18 (last revised on May 12, 2011).

This Court should make clear that there is a "bright line" around the public domain.[41] Although other countries may choose to implement regimes that protect facts[42] or "cultural expressions,"[43] in the United States, the Constitution guards the public domain. In passing Section 514, Congress destabilized this understanding and created uncertainty about the permanence of the public's rights in the cultural commons. This Court should remove that uncertainty and make clear that the public's rights to create, innovate, and speak using public domain materials are protected, and that works belonging to the public domain must remain there.

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[41] *See* Pet. Br. at 20 (citing Trans. of Oral Arg. 44, *Eldred*, 537 U.S. 186, *available at* http://bit.ly/lcdn2F (describing the Solicitor General's assertion that the public domain likely presents a "bright line")).

[42] *See* Directive 96/9/EC of the European Parliament and of the Council of 11 March 1996 on the Legal Protection of Databases, 1996 O.J. (L 77) 20.

[43] *See supra* note 40.

CONCLUSION

In order to protect the public's vested reliance and speech rights in the public domain, this Court should reverse for the reasons stated above.

Respectfully submitted,

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APPENDIX: *AMICI CURIAE*

The **American Music Center ("AMC")** is a national service organization promoting new music and composers. AMC was founded in 1939 by a consortium of composers including Aaron Copland. It has a searchable online database of more than 57,000 works by 20th- and 21st-century United States composers and its online magazine, *NewMusicBox*, and radio station, *Counterstream*, promote the vast diversity of American music. AMC makes grants to hundreds of individual artists and ensembles each year. It represents a constituency of many tens of thousands of American composers.

Cabin Creek Films is a nationally known documentary film production company that has won Academy Awards for Best Documentary Feature for its films *Harlan Country, USA* and *American Dream*. Its other films include *Gun Fight; The House of Steinbrenner; Wild Man Blues; A Conversation with Gregory Peck;* and *Shut Up and Sing*. Cabin Creek's works have aired on television outlets worldwide and have played in theaters both domestically and internationally. Cabin Creek received the "Best Documentary" award from the National Board of Review of Motion Pictures for its film *Wild Man Blues*, and the "Voices of Courage Award" from the Women's Refugee Commission for its film *Defending our Daughters*. It has also been nominated for several Emmy Awards, including a 2009 nomination for *Woodstock: Now and Then*.

The **Center for the Study of the Public Domain at Duke Law School** is the first university center in the world devoted to the study of the contributions of the public domain to speech, culture, science and innovation. Its mission is to focus on the vital balance in our intellectual property system between the realms of material protected by exclusive rights and those which are "free as the air to common use," and to study the effects of public domain status on the cost, accessibility and speed of dissemination of our collective science and culture.

Chorus America is a non-profit service organization for choral music that serves more than 2,000 choruses, individuals, arts organizations, singers, and businesses. Chorus America's mission is to build an inclusive and dynamic choral community so that more people are transformed by the beauty and power of choral singing. It strengthens choral organizations and provides their leaders with information, research, leadership development, professional training, and advocacy to help them deliver the best possible contributions to their communities and to the choral art.

College Art Association ("CAA") is a membership organization representing 14,000 practitioners and interpreters of visual art and culture, including artists, art historians, scholars, curators, conservators, collectors, educators, art publishers and other visual arts professionals, who join together to cultivate the ongoing understanding of art as a fundamental form of human expression. Another 2,000

university art and art history departments, museums, libraries and professional and commercial organizations are institutional members of CAA. CAA is committed to the highest professional and ethical standards of scholarship, creativity, connoisseurship, criticism, and teaching. CAA has a long-standing interest in issues relating to copyright and the First Amendment because its members create art, write about art, display art, and use art in the classroom and in published works.

The **Computer & Communications Industry Association ("CCIA")** is a non-profit membership organization focused on the technology and communications industries. Its members include Google, Yahoo!, Microsoft, Facebook, Intuit, RedHat, Oracle, eBay, T-Mobile, Sprint, Advanced Micro Devices, and Fujitsu. CCIA members employ almost one million workers and represent computer and communications companies, equipment manufacturers, software developers, service providers, re-sellers, integrators, and financial service companies. CCIA supports vigorous competition, freedom of expression, and openness, and it believes that understanding and protecting innovation is central to its industry's future.

Film Independent ("FIND") is a non-profit organization dedicated to helping independent filmmakers make their films, building the audience for independent film, and increasing diversity in the film industry. Every year, FIND provides its 4,000 members with over 250 hours of film education

programming, more than a hundred free preview screenings of the latest independent films, substantial production rental discounts, and fellowship and grant opportunities totaling over $240,000.

Fractured Atlas is a non-profit organization that serves a national community of artists and arts organizations by helping them run their businesses more efficiently. Its programs and services facilitate the creation of art by providing artists and art organizations access to funding, healthcare, education, and other services, all in a context that honors their individuality and independent spirit. By nurturing today's talented but underrepresented voices, Fractured Atlas hopes to foster a dynamic and diverse cultural landscape of tomorrow.

The **Future of Music Coalition ("FMC")** is a national non-profit organization that works to ensure a diverse musical culture where artists flourish and are compensated fairly for their work, and where fans can find the music they want. FMC uses education, research and advocacy to ensure that working musicians have a voice in the issues that affect their livelihoods. FMC's activities are rooted in the real-world experiences and ambitions of working musicians, whose perspectives are often overlooked in policy debates.

The **International Documentary Association ("IDA")** was founded in 1982 as a non-profit membership organization dedicated to supporting the efforts of non-fiction film and video makers throughout

the United States and the world; promoting the documentary form; and expanding opportunities for the production, distribution, and exhibition of documentaries. Over the past twenty-nine years, IDA has served as a forum and voice for documentarians around the world. IDA currently serves over 14,000 members and community users in more than fifty countries.

Kartemquin Films is a nationally recognized media arts organization that serves as a home for independent documentary filmmakers. Kartemquin has been making documentaries that examine and critique society through the stories of real people for more than forty-five years. It has received one of eight international 2007 MacArthur Awards for Creative and Effective Institutions and has twice received the prestigious Peabody Award, which recognizes distinguished achievement and meritorious service by broadcasters, producing organizations, and individuals.

The **National Alliance for Media Arts and Culture ("NAMAC")** consists of 225 media arts organizations that collectively serve over 300,000 artists and media professionals nationwide. Its members include community-based media production centers and facilities, university-based programs; museums, media presenters and exhibitors; film festivals, distributors, and film archives; youth media programs; community access television; and digital arts and online groups. NAMAC's mission is to foster and fortify the culture and business of independent

media arts. NAMAC believes that all Americans deserve access to create, participate in, and experience art.

The **National Alliance for Musical Theatre ("NAMT")** is a national service organization dedicated exclusively to musical theatre. Its mission is to advance musical theatre by nurturing the creation, development, production, and presentation of new musicals. NAMT's 150 members, located throughout thirty-five states and abroad, are some of the leading producers of musical theatre in the world, and include theatres, presenting organizations, higher education programs, and individual producers.

The **National Performance Network ("NPN")** is a group of diverse cultural organizers working to create meaningful partnerships and to provide leadership that enables the practice and public experience of the contemporary arts in the United States. NPN's resources currently support and connect 50-75 performing arts organizations, called NPN Partners, across the country. The NPN constituency ranges from two-person operations to multi-million-dollar arts centers. NPN Partners are ethnically, culturally, and stylistically diverse and reflect a cross-section of urban, suburban, and rural communities that are generally under-represented. More than 425,000 audience members have attended NPN-sponsored performances, and over 285,000 people have participated in NPN residency activities.

Prelinger Archives is an archival collection and commercial licensor of films produced by and for hundreds of U.S. corporations, non-profit organizations, trade associations, community and interest groups, and educational institutions. Until 2002, when a large portion of its collection was acquired by the Library of Congress, Prelinger Archives held over 60,000 historical films and approximately 30,000 cans of unedited archival footage, approximately 65% of which is in the public domain. The Archive licenses its remaining collection commercially through Getty Images and Alexander Street Press. It also provides approximately 2,100 public domain titles for free and unrestricted downloading and reuse through the Internet Archive.

Prelinger Library is an unincorporated private collection containing some 30,000 books, 700 periodical titles, and 25,000 items of print ephemera. The library focuses on United States history, technology, geography, social and cultural history; the sciences; and the arts. The majority of items in the Library's collection are in the public domain. Prelinger Library's users are principally artists, writers, and community members; academic and independent scholars; radio and television producers; and interactive mediamakers. In partnership with the Internet Archive, the Library makes 3,794 public domain items available for free and unrestricted downloading and reuse.

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James Boyle is the William Neal Reynolds Professor of Law and co-founder of the Center for the Study of the Public Domain at Duke Law School. His books include *The Public Domain: Enclosing the Commons of the Mind* (Yale University Press); and *Shamans, Software and Spleens: Law and Construction of the Information Society* (Harvard University Press).

Michael Chabon is the author of the *Amazing Adventures of Kavalier & Clay*, which won the 2001 Pulitzer Prize; *The Yiddish Policemen's Union*, which won the 2008 Hugo and Nebula Awards; *The Mysteries of Pittsburgh*; *Wonder Boys*; *Summerland*; *Gentlemen of the Road*; and *The Final Solution: A Story of Detection*. Chabon has contributed to the *New York Review of Books*, the *New York Times*

Magazine, and *Harper's Magazine*, and has authored the essay collections *Maps and Legends* and *Manhood for Amateurs*. He has been called one of the most celebrated writers of his generation by the *Virginia Quarterly Review* and one of the "twenty best writers under forty" by the *New Yorker*.

Shepard Fairey is an American graphic artist, author, and creator of Obey Giant, a design and marketing company with corporate clients including Pepsi and Kobe Bryant. His works have been displayed at the Smithsonian Institution's National Portrait Gallery, the Los Angeles County Museum of Art, the Museum of Modern Art in New York, and the Institute of Contemporary Art in Boston.

Lewis Hyde is an American poet, essayist, translator, and cultural critic with a particular interest in the public life of the imagination. His 1983 book, *The Gift*, illuminates and defends the noncommercial portion of artistic practice. Hyde's most recent book, *Common as Air*, is a spirited defense of our "cultural commons," that vast store of ideas, inventions, and works of art that we have inherited from the past and that continues to enrich the present. A 2001 MacArthur Fellow and former director of undergraduate creative writing at Harvard University, Hyde teaches during the fall semesters at Kenyon College, where he is the Richard L. Thomas Professor of Creative Writing. During the rest of the year he is a Faculty Associate at Harvard's Berkman Center for Internet and Society.

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Peter Jaszi teaches domestic and international copyright law at American University, where he also directs the Glushko-Samuelson Intellectual Property Law Clinic and helped to establish the Program on Intellectual Property and Information Justice. Professor Jaszi is co-author of the forthcoming *Reclaiming Fair Use: How to Put Balance Back in Copyright*, and also co-authors a standard copyright textbook, *Copyright Law*. Alone and with Martha Woodmansee, he has written several articles on copyright history and theory. In 2007, he received the American Library Association's L. Ray Patterson Copyright Award, and in 2009 the Intellectual Property Section of the District of Columbia Bar honored him as the year's Champion of Intellectual Property.

Jennifer Jenkins is a Senior Lecturing Fellow at Duke Law School and Director of Duke's Center for the Study of the Public Domain, where she heads its Arts Project – a project analyzing the effects of intellectual property on cultural production. She is co-author of *Bound By Law*, an educational comic book about copyright, fair use, and documentary film.

Barbara Kopple is an American filmmaker whose films on issues of cultural and historical importance include *Harlan County, USA*, about a Kentucky miners' strike, and *American Dream*, about a strike at Hormel Foods in Austin, Minnesota. Both films won Academy Awards for Best Documentary Feature, and in 1991, *Harlan County, USA* was named to the National Film Registry by the Librarian of Congress and designated an American Film Classic. Kopple's recent projects include *The House of Steinbrenner*, part of ESPN's Peabody-winning "30 for 30" series, and the Emmy-nominated *Woodstock: Now and Then*.

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1957-62, won critical acclaim for its analysis of Space Age American culture as reflected in contemporary advertising.

Gordon Quinn is an American filmmaker who has been making documentaries for over forty-five years, including *Vietnam, Long Time Coming*, and *Refrigerator Mothers*. He recently directed *Prisoner of Her Past*, about a Holocaust survivor suffering from late-onset post-traumatic stress disorder, and co-directed the 2011 release *A Good Man*, about the dancer Bill T. Jones.

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AMICUS CURIAE BRIEF

No. 10-545

In The
Supreme Court of the United States

LAWRENCE GOLAN et al.,

Petitioners,

v.

ERIC H. HOLDER, JR. et al.,

Respondents.

On Writ Of Certiorari To The United States Court Of Appeals For The Tenth Circuit

BRIEF OF *AMICUS CURIAE* PUBLIC KNOWLEDGE IN SUPPORT OF PETITIONER

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TABLE OF CONTENTS

Page

TABLE OF AUTHORITIES iii

INTEREST OF *AMICUS* 1

SUMMARY OF ARGUMENT 2

ARGUMENT 3

I. The Court Must Apply Intermediate Scrutiny to Section 514 3

A. Section 514 of the URAA Is a Content-Neutral Restriction on Speech 3

B. Section 514 of the URAA Alters the Traditional Contours of Copyright 6

II. Section 514 Is Not Narrowly Tailored to the Goal of Protecting U.S. Artists Overseas 8

A. The Asserted Benefits of Section 514 for Domestic Authors Are Purely Conjectural 8

B. A Policy Cannot Be Elevated to the Level of a Substantial Government Interest Because Foreign Governments Condition Actual Substantial U.S. Interests on its Implementation 14

C. Section 514 Burdens More Speech than Is Necessary to Achieve its Goals 18

III. An Increased Likelihood of Achieving a Government Interest Cannot Itself Be a Substantial Interest 19

TABLE OF CONTENTS – Continued

Page

A. Increasing Chances of Foreign Protection for U.S. Works Is a Purely Conjectural Goal 19

B. Extending Compliance with International Instruments to an Indisputable Degree Is Not a Substantial Government Interest 21

CONCLUSION 22

TABLE OF AUTHORITIES

Page

CASES

Edenfield v. Fane, 507 U.S. 761 (1993).....9, 20

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Golan v. Gonzales, 501 F.3d 1179 (10th Cir. 2007).....5, 6

Harper & Row, Publishers, Inc. v. Nation Enters., 471 U.S. 539 (1985).....6

Miller v. California, 413 U.S. 15 (1973).....4, 5

Regan v. Wald, 468 U.S. 222 (1984).....10

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Suntrust Bank v. Houghton Mifflin Co., 268 F.3d 1257 (11th Cir. 2001).....3

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TABLE OF AUTHORITIES – Continued

Page

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Page

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INTEREST OF *AMICUS*[1]

Public Knowledge is a non-profit public interest organization devoted to protecting citizens' rights in the emerging digital culture. Public Knowledge seeks to guard the rights of consumers, innovators, and creators at all layers of our culture through legislative, administrative, grass-roots, and legal efforts, including regular participation in copyright and other intellectual property cases that threaten consumers, expression, and innovation.

In its advocacy in both domestic and international forums, Public Knowledge has observed a continuing trend of copyright policies being pressed by industry and interest groups simultaneously around the world. Policies negotiated into treaties and non-treaty international agreements by relatively small executive delegations and those who seek to influence them can already have an outsized effect upon legislative priorities. Should courts lower the standard by which they scrutinize legislation for unconstitutionality whenever a law is proffered as a potential international bargaining chip, then nearly any speech-restrictive or

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[1] No counsel for a party authored this brief in whole or in part, and no such counsel made a monetary contribution intended to fund the preparation or submission of this brief. No person other than the *amicus curiae*, or its counsel, made a monetary contribution to its preparation or submission. Petitioner and Respondent have filed letters with the Court granting blanket consent for *amici*, and their letters of consent have been filed with the Office of the Clerk of this Court. Parties have been given at least 10 days notice of *amicus*'s intention to file.

otherwise constitutionally suspect law may be offered as advancing a government interest.

SUMMARY OF ARGUMENT

As a content-neutral restriction on speech, Section 514 of the Uruguay Round Agreements Act ("URAA") can only pass constitutional muster if it advances a substantial government interest and is narrowly tailored to advance that purpose without restricting more speech than is necessary. The statute fails to do this. Although the Tenth Circuit found a substantial government interest in the protection of U.S. artists in foreign countries, Section 514 only speculatively advances this goal, relying upon a possibility of other countries agreeing to reciprocate. Furthermore, allowing the Government to assert a substantial interest due to an expectation of a *quid pro quo* with a foreign government would allow completely unrelated measures to be styled as advancing the stated interest.

Nor can the Court find a substantial government interest in merely increasing a likelihood of a desired outcome. Applying intermediate scrutiny to such an "interest" renders scrutiny nearly meaningless. If a goal is set at an increase in probability, proving that alternatives provide those same odds becomes a nearly insuperable barrier.

If the Court upholds the reasoning and opinion of the Tenth Circuit, it risks drawing a roadmap by

which speech-restrictive laws may evade the proper level of scrutiny, either by wrapping the law's effects in an international agreement advancing a real government interest, or by allowing a vaguely-defined government interest to escape a proper level of scrutiny.

ARGUMENT

I. The Court Must Apply Intermediate Scrutiny to Section 514

A. Section 514 of the URAA Is a Content-Neutral Restriction on Speech

The Tenth Circuit recognized below, and the parties agreed, that Section 514 implicates the First Amendment and should be analyzed as a content-neutral restriction on speech. That copyright serves to restrict certain types of speech is not controversial. *Eldred v. Reno*, 239 F.3d 372, 376 (D.C. Cir. 2001) (citing *United Video, Inc. v. FCC*, 890 F.2d 1173, 1191 (D.C. Cir. 1989)) ("[T]here is some tension between the Constitution's copyright clause and the first amendment . . . "); *Suntrust Bank v. Houghton Mifflin Co.*, 268 F.3d 1257, 1263, 1263 n.12 (11th Cir. 2001) (noting that the Copyright Clause and the First Amendment are "intuitively in conflict," and "[w]hile the First Amendment disallows laws that abridge the freedom of speech, the Copyright Clause calls specifically for such a law."). In *Eldred v. Ashcroft* ("*Eldred*"), this Court also noted that the presence of

built-in accommodations for the First Amendment within copyright law, which militate against subjecting every piece of copyright legislation to "heightened scrutiny." *See Eldred v. Ashcroft*, 537 U.S. 186, 221 (2003). However, the presence of those safeguards does not mean that a law receives a free pass from constitutional scrutiny simply because it invokes copyright or resides in Title 17. *Eldred* held that the D.C. Circuit "spoke too broadly when it declared copyrights 'categorically immune from challenges under the First Amendment.'" *Id.*; *see also United States v. Stevens*, 130 S. Ct. 1577, 1585, 176 L. Ed. 2d 435, 445 (2010) ("The First Amendment's guarantee of free speech does not extend only to categories of speech that survive an ad hoc balancing of relative social costs and benefits.").

The mere presence of safeguards, however, should not by itself relegate an area of law to mere rational basis First Amendment scrutiny. The goals and dictates of the First Amendment affect the interpretations of those same safeguards, as well as their scope and use in practice. Both judicial interpretation and executive practice therefore alter exactly how much protection free speech receives within different legal structures. For instance, laws directed at curbing obscenity are subject to existing First Amendment-related safeguards such as the *Miller* test. *See Miller v. California*, 413 U.S. 15, 24 (1973). However, these safeguards do not preempt or supplant First Amendment scrutiny, but simply give additional guideposts as to how that scrutiny can be applied. *See Reno v.*

ACLU, 521 U.S. 844 (1997) (holding that even though the Communications Decency Act incorporated and was consistent with the *Miller* obscenity standards, the Act was unconstitutionally overbroad under an independent First Amendment analysis). By the same token, precedent outlining the current state of fair use and the idea/expression dichotomy – or indeed other limitations and exceptions to copyright – does not create an upper bound for the extent of the First Amendment within the realm of copyright law. The safeguards built into copyright law, like those in defamation and obscenity law, operate as guidelines for the application of the First Amendment, not as outer boundaries for the incarnation of the First Amendment within each legal discipline.

Moreover, the Court has recognized that heightened scrutiny is appropriate where Congress has altered the "traditional contours of copyright protection." *Golan v. Gonzales*, 501 F.3d 1179, 1188 (10th Cir. 2007); *Eldred*, 537 U.S. at 221. In removing works from the public domain and placing them back into copyright, Congress has altered those contours. *See Gonzales*, 501 F.3d at 1184.

B. Section 514 of the URAA Alters the Traditional Contours of Copyright

This Court has identified at least two bulwarks of the traditional contours of copyright in the idea/expression dichotomy and fair use. *See Harper & Row, Publishers, Inc. v. Nation Enters.*, 471 U.S. 539, 556-60 (1985), *cited in Eldred*, 537 U.S. at 219-21. In *Harper & Row*, the defendant magazine publisher proposed a new standard for evaluating fair use when First Amendment interests were at stake. Declining to adopt this standard, this Court instead relied upon existing fair use factors in accounting for the First Amendment within the scope of fair use. *Harper & Row*, 471 U.S. at 555-58.

In *Eldred*, this Court expanded on *Harper & Row* by indicating that the First Amendment protections built in to copyright were "generally adequate" in themselves, and thus could preclude heightened scrutiny for other copyright laws, not just interpretations of fair use. However, intermediate scrutiny is still appropriate when Congress has "altered the traditional contours of copyright protection." *Eldred*, 537 U.S. at 221; *Golan*, 501 F.3d at 1188.

Those traditional contours consist of more than simply the idea/expression and fair use doctrines; there are storied limitations to the metes and bounds of copyright protection, including the first sale doctrine, library exceptions, requirements for originality and creativity, and the exclusion of pure functionality from copyright. One of those key contours of copyright

is its grant "for limited times." U.S. Const. art. I, § 8, cl. 8; *Wheaton v. Peters*, 33 U.S. 591, 684 (1834). In *Eldred*, this Court declined to find that the Copyright Term Extension Act ("CTEA") altered the traditional contours of copyright when it extended then-existing copyright terms by a definite amount. *Eldred*, 537 U.S. at 221. The Court was unable to justify scrutinizing the CTEA under a standard that would render constitutionally suspect every past copyright term extension. *See id.* By contrast, the alteration of the Constitution's "limited times" requirement that is worked by Section 514 can easily be distinguished from past extensions, in that it pulls works out of the public domain and into the restrictions of copyright, and thereby removing any certainty that any given works in the public domain may remain there permanently. Under this model, the mere articulation of a government interest could pull the rug out from under a publisher of 19th century novels, a performer of 18th century chamber music, or an anthologizer of Elizabethan plays. A bright line therefore exists between the term extension of *Eldred* and the term retrocession of Section 514. Granting Congress the power to reinstate at will long-lapsed copyrights clearly shifts the known contours of the bargain between authors and the public that is embodied in copyright.

II. Section 514 Is Not Narrowly Tailored to the Goal of Protecting U.S. Artists Overseas

If Section 514 is to survive intermediate scrutiny, the Government must be able to show that it advances important government interests unrelated to the suppression of free speech and must be narrowly tailored so that it does not burden substantially more speech than necessary to further those interests. *Turner Broad. Sys., Inc. v. FCC* ("*Turner II*"), 520 U.S. 180, 189 (1997).

The Tenth Circuit ruled that the Government had a substantial interest in obtaining legal protections for American copyright holders' interests abroad, but erred in finding that Section 514 was narrowly tailored to advance this interest. The relationship between the statute's copyright retrocession and the protection of U.S. authors is speculative and conjectural, and is constructed in such a way that virtually any statute could, by laundering it through an international agreement, be argued as an important government interest. Furthermore, even in meeting the Government's stated interests, Section 514 burdens substantially more speech than necessary.

A. The Asserted Benefits of Section 514 for Domestic Authors Are Purely Conjectural

The substantial interest underlying a content-neutral regulation of speech must alleviate harms

that are "real, not merely conjectural, and that the regulation will in fact alleviate these harms in a direct and material way." *Turner Broad. Sys. v. FCC* ("*Turner I*"), 512 U.S. 622, 664 (1994) (citing *Edenfield v. Fane*, 507 U.S. 761, 770 (1993)). In claiming that Section 514 served the interest of protecting U.S. authors overseas, the Government has clearly engaged in conjecture.

The plain text of the statute itself does nothing directly to advance the interests of U.S. authors in those other countries. Instead, this goal is only supported at a degree of remove. U.S. authors will receive additional protection only if other countries grant them that protection. Instead, the implication raised by the Government is that Section 514 *might* induce other countries to grant this protection.

Both below and in the statute's debate prior to passage, the Government's interests in protecting domestic authors rely entirely upon foreign countries' willingness to take the URAA as part of a *quid pro quo* in exchange for additional protections for American authors. *See General Agreement on Tariffs and Trade (GATT), Intellectual Property Provisions: Joint Hearing on H.R. 4894 and S. 2368 Before the Subcomm. on Intellectual Property & Judicial Admin. of the H. Judiciary Comm. and the S. Subcomm. on Patents, Copyrights & Trademarks of the Senate Judiciary Comm.* [hereinafter *Joint Hearing*], 103d Cong. 253, 224 (1994) (Statement of Karp, Irwin, counsel, Committee for Literary Studies, New York, NY) ("[T]here is absolutely no guarantee that [negotiating

countries] are stupid enough to adopt the reliance-party provisions you are being asked to adopt."). While the protection of U.S.-based copyright holders can certainly be a substantial interest, the connection between that interest and Section 514 literally depends upon speculation and conjecture regarding the conduct of other sovereign nations. While the political branches have discretion to make judgments in areas of foreign relations (*Regan v. Wald*, 468 U.S. 222, 242 (1984)), this does not give them carte blanche to set up any given policy as a substantial government interest because of its hoped-for indirect effects on other countries' actions towards U.S. stakeholders. When a proposed regulation impacts constitutional concerns at a level requiring more than cursory scrutiny, there must be a definite, direct, and material relationship between the foreign government's protection of U.S. interests and the statute that faces constitutional scrutiny.

In this case, the Government has failed to show that the protections it desired for U.S. authors necessitated the extraordinary measures of Section 514. While the possibility of such an exchange being brokered was raised in the URAA's legislative history, it was discussed as a mere possibility. For example, a representative for the Motion Picture Association of America stated:

> In order for most United States works to gain protection in Russia and the other former Soviet republics, the former Eastern bloc countries, South Korea and elsewhere, the

> United States must extend copyright protection to older works that were created in those and other foreign countries. *If* the United States passes a law that protects previously produced foreign works, then *we would have every right to expect* those countries to pass laws to protect previously produced American works.

Joint Hearing at 253 (statement of Matt Gerson, Vice President for Congressional Affairs, Motion Picture Association of America, on behalf of Jack Valenti, President and Chief Executive Officer, Motion Picture Association of America (emphasis added)). The International Intellectual Property Alliance similarly viewed the possible results in prospective terms:

> With us taking a strong and principled stand here in this country, we can leverage retroactive protection abroad. . . . I think the chances of us obtaining good retroactive protection is quite strong if we have this tool behind us. If they fail to do so willingly, we can take them to the GATT.

Joint Hearing at 242 (statement of Eric H. Smith, Executive Director and General Counsel, International Intellectual Property Alliance).

For the most part, discussions of any *quid pro quo* assumed without reference to any existing agreements that such an exchange should be forthcoming, or that any increase in leverage or likelihood in future negotiations was sufficient as a government interest. Other commentators clearly felt differently.

Irwin Karp, counsel for the Committee for Literary Studies, emphasized that the legislation traded significant domestic protection for foreign works in exchange for only vague offers of reciprocation abroad:

> The sole purpose of the . . . restrictions . . . on reliance interests is this so-called mirror image theory which has been referred to. There is no doubt that we do well to grant retroactivity so that Thailand and other countries who are not giving us retroactivity will reciprocate, and they probably will.
>
> But, there is absolutely no guarantee that they are stupid enough to adopt the reliance-party provisions you are being asked to adopt. They have industries that are reliance parties who are making a lot of money legitimately using American motion pictures, American recordings, and American software. If the British scheme were adopted in their countries, they would continue to use them. These governments are as sophisticated in copyright as we are, and unless we engage in trade-tactic arm twisting, there is no way in the world that they would cut their own throats by adopting these provisions.

Joint Hearing at 224 (statement of Irwin Karp, Counsel, Committee for Literary Studies).

In fact, the most definite assurance that Section 514 would achieve any protection for U.S. authors was still far from certain. Commenters stated that Russia had indicated in previous negotiations that it

would not retroactively protect U.S.-based works without reciprocation:

> Under current law, for example, Russia has taken the position that it need not protect American works created before it accedes to Berne, citing the American interpretation of Berne as not requiring such retroactive protection. In the long run, American authors would be helped by improved international copyright relations generally, which would strengthen their enforceable rights abroad for both existing and future works.

Joint Hearing at 208 (statement of Shira Perlmutter, Professor, Catholic University School of Law). At the most, Russian negotiators were said to have stated that they would interpret retroactive provisions as the United States did. *Id.* at 291 (statement of Jason S. Berman, Chairman and Chief Executive Officer, Recording Industry Association of America). This does not necessarily mean that passing the URAA would be met with parallel agreements in other countries. *Joint Hearing* at 224 (Karp). *See also* 7 William F. Patry, *Patry on Copyright* § 24:1 (2011). If the government interest is being broadly defined as "protecting the interests of U.S. authors around the world," and not merely as "producing favorable interpretations for U.S. copyright holders in Russia," then even this suggestion of potential agreement does not rise above the speculative. While courts should give deference to the political branches in matters of foreign policy, that deference does not extend to waiving

scrutiny of the statute based upon conjectural international cooperation.

B. A Policy Cannot Be Elevated to the Level of a Substantial Government Interest Because Foreign Governments Condition Actual Substantial U.S. Interests on its Implementation

The lack of a direct connection between Section 514 and a substantial interest in protecting U.S. authors presents another problem. Should the Court accept such a formulation for substantial government interests, nearly any statute could be justified simply by laundering it through an international negotiation. Taken to an extreme, this system could justify a ban on advertising Colombian coffee as furthering the protection of American authors, if the Brazilian government agreed to provide additional protections for U.S. works in exchange for the advertising ban.

Nor is it unlikely that such unrelated issues would be raised in international agreements or trade negotiations. The World Trade Organization ("WTO") allows countries to retaliate against one another's trade barriers in economic sectors entirely unrelated to the original areas of dispute. Understanding on Rules and Procedures Governing the Settlement of Disputes art. 22, Apr. 15, 1994. Marrakesh Agreement Establishing the World Trade Organization, Annex 2, 1869 U.N.T.S. 401. Intellectual property protections have increasingly been a source of WTO

disputes or potential retaliatory actions. For instance, when Brazil filed a complaint with the WTO regarding U.S. cotton subsidies, it was granted leave to retaliate by suspending its concessions against U.S. intellectual property rights under the Agreement on Trade-Related Aspects of Intellectual Property Rights ("TRIPS Agreement"). *See* Decision by the Arbitrator, *United States – Subsidies on Upland Cotton*, WT/DS267/ARB/1 (Aug. 31, 2009); *see also* 7 *Patry on Copyright* § 24:1. Similarly, Antigua and Barbuda was granted leave to retaliate against the United States' online gambling restrictions by suspending its TRIPS concessions to the U.S. up to the cost of $21 million annually. Decision by the Arbitrator, *United States – Measures Affecting the Cross-Border Supply of Gambling and Betting Services*, WT/DS285/ARB (Dec. 21, 2007). The cross-sector nature of modern trade negotiations makes it very likely that copyright provisions important to the United States will be negotiated in exchange for U.S. concessions in unrelated areas. Those unrelated areas cannot suddenly be justified as substantial government interests simply because they lead to another country agreeing to protect American copyrights more. To return to the earlier example, the promotion of Brazilian coffee is not a substantial interest of the United States Government.

Allowing such interest-by-proxy reasoning can also disrupt the balance of competencies between the legislative and executive branches. Non-treaty trade negotiations like the Uruguay Round Agreements are

negotiated without the advice and consent of the Senate. *See* Memorandum to Ambassador Mickey Kantor, U.S. Trade Representative, Re: Whether the GATT Uruguay Round Must Be Ratified as a Treaty (July 29, 1994), supplemented, 18 U.S. Op. O.L.C. 232. One senior U.S. trade negotiator was quoted as saying that "probably 50 people were responsible for TRIPS." 7 *Patry on Copyright* § 24:1, *citing* Peter Drahos and John Braithwaite, *Information Feudalism: Who Owns the Knowledge Economy?* 10 (2002). In this way, a small number of executive officials can force upon Congress the dilemma of either accepting a body of legislative changes already negotiated or allowing the United States to suffer the consequences of failing to meet the terms of the negotiated agreement. In this way, Congress can be convinced of an interest in meeting obligations under agreements it had no hand in negotiating, with potential consequences detrimental to U.S. interests should it not comply.

The executive branch is not the only body that may take advantage of international forums to press the apparent inevitability of legislation supporting a particular objective. Many laws and policies have been advocated before Congress on the grounds that they would bring the United States into compliance or harmonization with some international consensus. Very often, though, the particular policy advocated for is present in foreign countries due to the lobbying of those very interests now lobbying Congress in the name of harmonization. Examples abound. Many

provisions of the Digital Millennium Copyright Act, like anti-circumvention provisions, were pressed upon Congress as necessary for compliance with the then-recently-negotiated WIPO treaties, when earlier attempts to implement them had failed. *See, e.g.*, Jessica Litman, *Digital Copyright: Protecting Intellectual Property on the Internet* 128 (2001). Copyright term extension in the United States was promoted as a means of harmonizing with European term lengths; now European legislators are being lobbied to extend sound recording terms to match the extended lengths of U.S. protection. *See, e.g., Pre-1978 Distribution of Recordings Containing Musical Compositions; Copyright Term Extension; and Copyright per Program Licenses: Hearing Before the Subcommittee on Courts and Intellectual Property of the Committee on the Judiciary, House of Representatives*, 105th Cong. 5 (1997) (statement of Rep. Howard Coble, Chairman, H. Subcomm. on Courts and Intellectual Property); *also Eldred v. Ashcroft*, 537 U.S. 186 (2003); Eric Pfanner, *Europe Moves Toward Compromise on Copyright for Musicians*, N.Y. Times, Dec. 14, 2008, http://www.nytimes.com/2008/12/14/business/worldbusiness/14iht-copyright15.1.18652858.html.

Advocates have also made use of foreign agreements to engage in "policy laundering" in other arenas as well. The Council of Europe Cybercrime Treaty, for example, was drafted within the 43-member Council of Europe, with the United States and other nations as nominal "observers," though its provisions were largely drafted by advocates within

the United States who had met domestic resistance. Once the treaty was drafted elsewhere, it could be promoted as a means of harmonization, and not merely on the debated merits of specific proposals within it. *See* Barry Steinhardt, American Civil Liberties Union, "Problem of Policy Laundering" 2 (2004).

Claiming a substantial government interest in accommodating the negotiating objectives of a foreign country therefore runs a double risk of factions attempting to circumvent Congressional judgment. An administration eager to implement its particular policies over a reluctant Congress can write diplomatic checks that Congress must either cash or default upon. Nearly as easily, interest groups can invest in lobbying foreign legislatures, then approach Congress with a manufactured international consensus to justify similar policies here. In either case, this gaming of Congressional interest can effectively evade constitutional scrutiny only if the Court allows the Government to manufacture a link between any given regulation and a foreign party's promise of advancing an actual interest in return.

C. Section 514 Burdens More Speech than Is Necessary to Achieve its Goals

Petitioners and other *amici* have already argued several ways in which Section 514 burdens more speech than is necessary to achieve the goal of protecting U.S. authors. What bears emphasis here is

that if the Government's goal can be so broadly asserted as merely encouraging the protection of U.S. authors overseas, then an extraordinarily broad scope of alternatives can be produced – enough that the test itself becomes unworkable. If the Court is to actually address the merits of the asserted government interest, it must construe that interest with sufficient precision to actually measure the effects of the proposed provisions upon the goal.

III. An Increased Likelihood of Achieving a Government Interest Cannot Itself Be a Substantial Interest

A. Increasing Chances of Foreign Protection for U.S. Works Is a Purely Conjectural Goal

Though Section 514 is not narrowly tailored to advance the interests of U.S. copyright holders in other countries, the Government argues that the statute increases the chances that other countries might enhance protections for U.S. authors. While it may be possible to assert this increased likelihood as a substantial interest in itself, allowing such an ill-defined goal to serve as a substantial government interest would render constitutional scrutiny nearly meaningless.

The requirement of narrow tailoring is satisfied so long as the regulation promotes a substantial government interest that would be achieved less effectively absent the regulation. *Turner I*, 512 U.S.

at 662 (*quoting Ward v. Rock Against Racism*, 491 U.S. 781, 799 (1989)). If a substantial government interest can be defined as merely an increased *likelihood* of some positive result occurring, then it becomes trivial to construct the interest in such a way that any other measure than the one proposed would achieve a less effective result. If the sought-after result is concrete, it is possible to evaluate the comparative effectiveness of the proposed solution against equally or less speech-restricting alternatives, or conversely, to gauge the speech-restrictiveness of equally effective options. However, if the substantial government interest is taken to be simply a quantum of probability of achieving a potential result, then nearly any alternative measure that provided one iota less likelihood fails the test. *See Edenfield*, 507 U.S. at 770-71 (harms to be relieved by restriction must not be speculation or conjecture).

In this case, claiming that there is a substantial government interest in creating a higher likelihood of protection for American authors basically insulates Section 514 from any challenge as to its narrow tailoring. Proposals to follow the U.K. model for reliance interests, for example, could simply be claimed to be less *likely* to induce reciprocal protections by other countries, or less likely to generate any additional protections for U.S. authors. *Contra Joint Hearing* 224 (Karp). Providing a vague interest only serves to reduce to uselessness the standard of intermediate scrutiny.

B. Extending Compliance with International Instruments to an Indisputable Degree Is Not a Substantial Government Interest

Although the Tenth Circuit did not rule on these grounds, the Government also asserted that it had a substantial interest in attaining indisputable compliance with international treaties and multilateral agreements. For the same reason that a mere increased likelihood of achieving a speculative goal cannot by itself form a substantial government interest, achieving an increase in certainty against hostile foreign interpretation cannot form one either. Even before the passage of the URAA, the United States could have been said to comply with Article 18 of the Berne Convention, which broadly permits negotiated exceptions to retrocession requirements. Berne Conv. Art. 18(3). The mere fact that other countries might debate degrees of compliance does not automatically create a substantial government interest in passing accommodating legislation. The laws passed by Congress to implement international agreements must still be evaluated under the Constitution, and the compliance of those statutes with the Constitution must necessarily take precedence over their compliance with treaties and executive agreements.

CONCLUSION

The Tenth Circuit erred in finding that Section 514 of the URAA was narrowly tailored to serve a

substantial government interest. For the foregoing reasons, the Court should reverse the decision below.

Respectfully submitted,

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